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TODAY: STYLE Soft Touch in Milan, Page 10

German Job Creation Is Booming — Abroad

Government's Measures Aren't Enough To Keep Firms From Moving Jobs East

By John Schmid
International Herald Tribune

FRANKFURT — Even as Germany faces record unemployment, German companies plan to continue pushing jobs abroad, creating at least 300,000 outside German borders in the next three years, most of them in low-cost, low-wage locations in Eastern Europe, according to a recently released survey.

The findings, based on a survey late last year of 7,500 companies by the German Industry and Trade Federation, or DIHT, indicate that Germany's efforts in the last year to promote business and save jobs through lower payroll costs and deregulation measures "are not enough," the federation said.

The survey indicates that the push by German industry to create jobs abroad will continue undiminished, or even expand, until at least the end of the century, economists said.

The federation report casts further doubt on the government's ambitious goal of halving German unemployment by the turn of the century, said Walter Kaiser, a federation spokesman.

Unemployment hit 4.1 million in December, or 10.8 percent of the work force, and is widely expected to surpass all previous postwar records in coming months by rising as high as 4.5 million, government officials and economists say.

Steep labor costs were cited as the overriding reason for plans to create "at least" 300,000 jobs abroad in the next three years, with most of them earmarked for Eastern Europe, the federation survey said.

That perpetuates a trend in corporate Germany that includes the biggest blue-chips, such as Daimler-Benz AG and Siemens AG, and armies of small companies.

In the federation poll, 28 percent of the companies surveyed intend to step up hiring outside Germany, up from 25 percent when the poll was last taken in 1993.

The 300,000 new jobs would compare with 237,000 in the years 1992-1994, the previous three-year period that the federation tracked job growth abroad.

To attack rising labor costs, the government last year risked social unrest with a package of pro-business deregulation and welfare and entitlement cuts.

The measures left German society polarized and put the government under severe strain. They also damaged Germany's system of bringing together workers, government and management to find consensus on the country's economic situation.

Efforts have been under way in the first weeks of this year to revive the series of roundtable talks led by Chancellor Helmut Kohl, which include industry and union officials. Mr. Kohl abandoned such middle-ground efforts

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The Associated Press

ALGERIA MASSACRE — The wife and son of a man slain by Muslim extremists mourning Monday in a village outside Algiers. The attackers killed 14 villagers and put their heads on stakes. Car bombings and massacres have left 330 dead in two months. Page 6.

Middle Path Sought By Justices Weighing Clinton Sex Lawsuit

By Joan Biskupic
Washington Post Service

WASHINGTON — Taking up the politically charged case of Paula Corbin Jones, Supreme Court justices appeared troubled Monday by the notion of granting the president blanket immunity from a sexual harassment lawsuit or any other civil case until he leaves office.

But the justices nonetheless were wary of burdening the man who runs the nation, and were concerned about balancing both President Bill Clinton's interests and those of Ms. Jones, who has alleged that Mr. Clinton sexually harassed her in 1991 when Mr. Clinton was governor of Arkansas and she a low-level state employee.

By the end of the hourlong session, it appeared that the justices were looking for some middle ground that would account for both the demands on the president's time and the interests of a complaining party. Justice Anthony Kennedy observed that a person's reputation could be ruined and the ultimate success of a case foiled if a president were protected from a court proceeding but able to use his high office against a litigant.

"He is in a very dominant position," Justice Kennedy said of the president.

The question before the justices is whether a sitting president is immune from a private civil-damages lawsuit until he leaves office. The case presents a significant constitutional dilemma that would affect the institution of the presidency and all who assume the White House.

But the case's immediate import has been political, as the occasion of the oral arguments have renewed attention on Ms. Jones's allegations that Mr. Clinton made crude sexual advances and sought sex from her in an Arkansas hotel room. Mr. Clinton has denied making any sexual advances.

The specific allegations — although not directly before the justices — have become fodder for newspaper headlines, magazine covers and television pundits. Heard exactly one week before Mr. Clinton's second inaugural, the case has the potential to haunt the president throughout his second term.

A packed courtroom, including about 120 reporters and a few senior White House advisers, heard the justices vigorously question lawyers for each side. Mr. Clinton's lawyer, Robert Bennett, argued that the Constitution's separa-

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In South Korea, a Harsh Revival of Intolerance

By Kevin Sullivan
Washington Post Service

SEOUL — The day after a North Korean submarine ran aground off South Korea last September and its 26 armed crewmen came ashore, Yoon Seok Jin posted a skeptical note on a domestic computer bulletin board.

"Perhaps they ran aground by accident," wrote Mr. Yoon, 27, doubting initial South Korean government reports that the submarine crewmen were spies.

"I have to question whether they are armed commandos," he wrote, suggesting that the Seoul government might have "deceived" the public into believing that a routine surveillance mission gone wrong was something more sinister.

For expressing those opinions, Mr. Yoon is paying dearly. South Korean police raided his home and confiscated his computer and disks. Prosecutors have asked a judge to sentence him to a year and a half in prison. A ruling is due this week.

Mr. Yoon, an unemployed recent college graduate, is charged with violating perhaps the most contradictory aspect of South Korea's democracy: its strict National Security Law, which makes it illegal to "support, encourage or praise" Communist North Korea. Hundreds of people are charged every year with violating the law.

From the early 1960s though the late 1980s, South Korea was run by a military dictatorship, and critics of the security law say it is a vestige of those more ruthless days, when riot police beat those who disagreed with the government and tear gas was a standard law-enforcement tool.

Two weeks ago, President Kim Young Sam restored powers to enforce the security law to the Agency for National Security Planning, the domestic intelligence agency. In a much criticized secret session of the legislature, ruling party members gathered at 6 A.M., convening a quorum without telling opposition lawmakers, and approved the tougher security law.

Another item on the agenda was new labor legislation that has so outraged union workers that hundreds of thousands have gone on strike, idling auto factories and shipyards and costing the country more than $1 billion in lost production.

Kwon Young Kil, the chief strike leader, says he believes the two laws are related. Because the government fears the trade unions, it will attempt to paint them as Communist-controlled and use the security agency to break up strikes and the union leaderships, he said.

Mr. Kwon and many other critics argue that the passage of the security law, along with the clandestine way it was done, suggest that South Korea is retreating toward its authoritarian past. By giving the domestic spy agency increased leeway in investigations and

See KOREA, Page 4

IRA Admits Catholics Now Readier to Inform

Change Linked to End of Ulster Cease-Fire

By James F. Clarity
New York Times Service

BELFAST — The overwhelmingly Catholic Irish Republican Army has acknowledged that an increasing number of Catholics in Belfast have begun to inform on the guerrilla organization's planned violent attacks and has warned that it will punish such informers.

The IRA's acknowledgment and its threat of reprisals on informers are rare occurrences, according to officials, outside specialists and Catholics who live in areas where for decades residents, often out of fear of violent punishment, have connived at IRA guerrilla action whether or not they supported it.

British officials confirmed Monday that the number of Catholic informers was rising, saying, without giving specific figures, that in recent weeks the informers had begun to telephone the police of the Royal Ulster Constabulary to disclose information they had on violent operations being planned by the IRA. The police say they can tell the informers live in Catholic neighborhoods from the nature of their information on particular IRA guerrillas already known to the authorities.

The people of Belfast fear an upsurge in violence. Page 2.

A city councilman, Jim Rodgers, said: "A lot of information is coming in from nationalist areas that wasn't coming in before. It's of a very high quality."

The information has helped thwart several bomb attacks, police and other officials say. Last week, the IRA, in another rare public statement, made it clear it intended to continue its campaign of violence to end British sovereignty in predominantly Protestant Northern Ireland.

"More people are lifting the telephone," an official in Britain's Northern Ireland Office, which administers the province, said of Belfast-area Catholics. "They are voting with their fingers. They've prevented quite a lot of nasty incidents. There is a tide running against the terrorists."

Politicians, specialists and ordinary Catholic residents of Belfast confirmed the official account and said the reason for the rise in informing was the IRA's resumption of its campaign of violence in Northern Ireland, where people had seen peace for more than two years after the IRA and Protestant paramilitary forces declared cease-fires in 1994.

The IRA broke its 17-month cease-fire in February 1996 with a series of bomb attacks in England. But the increase in informers did not begin until the outlawed guerrilla organization began to attack again last autumn in the province.

In October, there was an IRA bomb attack on the British Army headquarters at Lisburn, 10 miles (16 kilometers) south of Belfast, that killed one army officer and wounded 30 people, some of them civilians.

But on New Year's Eve, a planned bombing of Belfast Castle, a restaurant and meeting hall run by the City Council, with a van holding 1,000 pounds (455 kilograms) of explosives was aborted, police said, when they were called by an informer and rushed to the scene. In recent weeks, other attacks have been prevented by informers calling the special telephone number that is painted on the ubiquitous police Land Rovers that patrol the streets of the city.

On Friday, the IRA tied up traffic in Belfast with about 20 false bomb warnings that kept police and army troops rushing around.

None of the vehicles indicated by the IRA hoaxers turned out to have explosives in them, suggesting that the guerrillas were responding to decreasing support among local Catholics.

One Catholic resident said it was no secret in Catholic nationalist areas that many Catholics who once connived at IRA violence were turning against it. The resident said that people in Catholic neighborhoods usually knew the local IRA operatives and sometimes watched

See INFORMERS, Page 6

Georgia Bridles at Russia's Heavy Hand

Feisty Republic Seeks to Conciliate Geography and New Identity

By Michael R. Gordon
New York Times Service

TBILISI, Georgia — The Georgians were the last to know: Without a hint of consultation with this country's authorities, the Russian border guards who still patrol Georgia's frontiers seized the Almaz, a Ukrainian ship, and brought it to the Georgian port of Batumi.

NYT

After being spirited to Russia and charged with smuggling during a previous port call in Russia, the Ukrainian sailors were released.

But the heavy-handed and humiliating demonstration of Russian military power has fanned the debate here over the continued presence of Russian troops and Georgia's search for a new, more Western identity.

"A general in Moscow of the border guards thinks and assumes that without asking Georgia he can still confiscate the ship," President Eduard Shevardnadze said in an interview. "And that is the continuation of inertia."

"Those who were in the center were used to the fact that their words had the force of law and that all those in the periphery should obey," said Mr. Shevardnadze, a former Soviet foreign minister.

After gaining independence in the 1991 breakup of the Soviet Union, this proud and poor nation of 5.5 million has been redirecting its economy away from Russia and toward the West.

Turkey, not Russia, is now Georgia's main trading partner. The West, not cash-strapped Moscow, is the main source of credits and foreign assistance. The International Monetary Fund is the only foreign organization with an office in the government building in Tbilisi.

With an eye on Western trading partners, Georgia has big plans. In March, construction is to start on a pipeline that will carry oil from the Caspian Sea region to the Black Sea port of Supsa.

The pipeline is expected to generate a modest $8 million in annual revenue. But Georgian officials say they hope it is a sign of Georgia's potential as a trading crossroads. Georgia is already emerging as a transit route for Uzbek cotton, the first time Uzbekistan has been able to get its cotton to foreign markets without crossing Russian territory.

Meanwhile, rail and road links between Russia and Georgia remain cut, a casualty of instability in the breakaway Georgian province of Abkhazia and the war in neighboring Chechnya, which wants to break away from Russia.

See GEORGIA, Page 6

Russia Presses Belarus Unity

An ailing President Boris Yeltsin is urging his counterpart in Belarus to move faster toward possible unity between their two countries, a spokesman disclosed Monday.

Mr. Yeltsin suggested holding a referendum in each country on union and possibly setting up a joint government, said the spokesman, Sergei Yastrzhembsky.

Mr. Yeltsin, who is hospitalized with double pneumonia, outlined a plan for unification "in some form or another" in a letter to President Alexander Lukashenko of Belarus, the spokesman said.

The plan calls for a joint budget, currency and tax system, for merging fuel and energy systems, and synchronizing economic reforms.

Meanwhile, the spokesman said that Mr. Yeltsin, 65, would probably remain in the hospital for at least two more days and warned news organizations not to be "too optimistic" about the Kremlin chief's release date. (Page 5)

Letter-Bomb Attack Wounds 2 At Arab Newspaper in London

By Fred Barbash
Washington Post Service

LONDON — A letter bomb exploded Monday morning at the London headquarters of the Arabic-language newspaper Al Hayat, wounding two security guards.

Al Hayat is the same publication targeted by letter-bombing in Washington this month.

Shortly after the explosion Monday, the police discovered four other suspect parcels and carried out controlled explosions in the newspaper's basement to make them safe.

[A letter bomb addressed to the paper forced the evacuation Monday of at least two floors of the United Nations' headquarters in New York, The Associated Press reported.

[A UN spokesman, Fred Eckhard, said the device, addressed to the UN bureau of Al Hayat, had been found in the central mail room at UN headquarters. UN sources told the Reuters news service that it bore an Alexandria, Egypt, postmark. Mr. Eckhard said that a second letter bomb had been found later in the day in a messinger room at the UN and that police specialists had been called in to dismantle it. One of the letter bombs was blown up by bomb specialists in the UN basement garage, he said.]

Jihad Khazen, editor of the Saudi Arabian owned paper, continued to express bewilderment at the motive for what now appears to be an organized terror campaign against the paper, which is known for its balanced coverage of Middle Eastern affairs.

As in the case of the attempts in Washington, he said there had been no warning and no claim of responsibility for the attack. As in Washington, he said he believed the parcels in London had come from Alexandria, Egypt, though he said he was not certain of this.

Al Hayat employs about a hundred editorial and business staff at its London base in the Hammersmith neighborhood of West London. After the letter bombs were received in Washington, Al Hayat obtained a scanning machine designed to detect letter bombs and set up a mail room in its basement. The letter that

See BLAST, Page 6

The Dollar

New York	Monday close	previous close
DM	1.5887	1.5859
Pound	1.6755	1.68
Yen	116.475	116.125
FF	5.3605	5.3508

The Dow

change	Monday close	previous close
+5.39	6709.18	6703.79

S&P 500

change	Monday close	previous close
+0.01	759.51	759.50

S&P 500 Index

The Standard & Poor's Composite Index of 500 Stocks has been added to the at-a-glance market table on Page 1.

The S&P 500 provides one of the broadest and most accurate measures of the U.S. markets, representing about 80 percent of the market value of all issues traded on the New York Stock Exchange, as well as some American Stock Exchange and Nasdaq stocks.

The Trib Index, the dollar-denominated measure of world market movements, can be found in the World Stock Markets table in the Business/Finance pages.

Newsstand Prices

Bahrain	1.000 Din	Malta	.55 c.
Cyprus	C. £ 1.00	Nigeria	125.00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 150	U.S. Mil. (Eur.)	$ 1.20
Kuwait	600 Fils	Zimbabwe	Zim.$30.00

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AGENDA

Bulgarian Socialists Agree to Elections

As Bulgarians continued their demonstrations, the ruling Socialist Party on Monday agreed, in principle, on the holding of early elections, the main demand of the protesters. Thousands of workers went on strike Monday in support of the protests, with wider walkouts planned for Tuesday and Wednesday. In Sofia, about 30,000 people marched through the city center Monday, the fourth straight day of demonstrations. (Page 2)

AMERICAS Page 3.
More Gunfire at Besieged Embassy

ASIA/PACIFIC Page 4.
The Dalai Lama Is to Visit Taiwan

BUSINESS/FINANCE Page 11.
Airbus Moved Toward Restructuring

Books ..... Page 10.
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Opinion ..... Pages 8-9.
Sports ..... Pages 18-19.

Steve Holland/The Associated Press

DOWN AND OUT — Boris Becker, defending champion of the Australian Open, was upset in Monday's first round. Page 19.

'Dangerous Times' / **Tensions on the Rise**

Again, Fear Is Dogging Both Sides in Ulster

By James F. Clarity
New York Times Service

BELFAST — The people of the predominantly Roman Catholic working class neighborhood called The Markets, near the main railroad station, are jamming the steel bars behind their front doors again, bracing them against attacks.

They fear that the Protestant paramilitaries in this predominantly Protestant, British-ruled province are getting ready to end their self-imposed cease-fire in response to the recent increase in a campaign of violence by the overwhelmingly Roman Catholic Irish Republican Army.

"People are frightened again," said Pauline Hegney, 32, a Catholic mother of four whose husband, Karl, a house painter, was shot and killed by Protestant gunmen five years ago as he walked home from a pub.

"We're just waiting every night for the loyalists to strike," she said, referring to Protestants who want British rule to continue.

She noted that people had removed the steel bars after the IRA, and later the Protestants, had begun cease-fires in the autumn of 1994. The IRA ended its cease-fire 11 months ago, but so far, the Protestant cease-fire is still in effect.

Mrs. Hegney disagrees with the IRA contention that it represents the interests of Catholics. Like many people in Northern Ireland, she thinks that the IRA should restore its cease-fire and that Sinn Fein, its political wing, must be allowed into peace negotiations if there is to be any chance of ending the violent conflict that has torn the province since 1969, killing 3,210 people.

"The tension had eased," Mrs. Hegney said. "Now it's back." Her 10-year-old daughter, Julia-Anne, eased into her mother's arms in the neat living room, with a picture of Jesus on the wall, of their small red-brick house in a public housing complex. "I'm afraid of being shot," Julia-Anne whispered. "I'm too young."

Gerry Adams, president of Sinn Fein, has described the sharp rise of IRA activity here in recent weeks by saying: "The genie, in many ways, is back out of the bottle. We are looking once again at dangerous times."

No one from the Protestant majority or the Roman Catholic minority disagrees. Since Christmas week, the IRA has carried out a series of attacks on police and army troops and more than 20 hoax warnings of bomb attacks. The Irish News, the favorite paper of most Catholics here, said the IRA operations were the most extensive in the province since before the cease-fire.

On Jan. 6, the IRA demolished a guard box outside the High Court here with a rocket-propelled grenade, injuring a policeman. A man charged with complicity in the attack was identified as being from The Markets, which makes residents of the area fear that they are likely targets for a Protestant reprisal. Residents say the suspect, Brendan McIlvenny, 27, is a minor IRA operative.

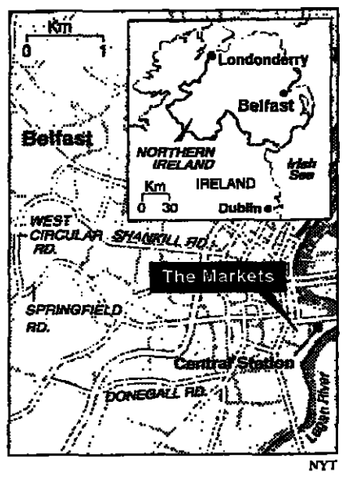
On Thursday, the outlawed group, in a rare public statement of policy, made clear that it intended to continue to use violence in its campaign to end British sovereignty in Northern Ireland. On Friday, the IRA snarled traffic and caused chaos in Belfast as its operatives, using recognized identification codes, made about 20 phone calls warning that car bombs were about to be detonated in various parts of the city.

Police and army troops in camouflage combat uniforms carrying automatic rifles spent the afternoon and most of the night rushing around town with screeching sirens on armored Land Rovers, taping off areas and protectively destroying suspect vehicles with explosions that boomed across the city.

Most of the calls proved to be hoaxes, intended, the police say, to terrorize civilians and emphasize that the IRA is still able to place bombs where and when it pleases.

Catholic nationalists, who want closer ties with the Irish Republic, as well as Protestant unionists, who want to remain part of Britain, have condemned the attacks. "We don't want to go back to the dark days again," said Jim Rodgers, a unionist city council member.

"It's like the bad old days again," said David Davin-Power, the chief correspondent here for Dublin-based Irish national radio and television.



NYT

Sygma

The Irish Republican Army has made it clear that it intends to continue to use violence in its campaign to end British sovereignty in Northern Ireland. Many Ulster residents now fear that Protestant paramilitaries will end their self-imposed cease-fire.

PEOPLE HERE say they feel that a new crisis is building that could further impede the peace talks that began here in June. The talks have been in check because the IRA ended its 17-month cease-fire last February with a series of attacks in England and Northern Ireland.

Britain and Ireland have said that Sinn Fein cannot attend the talks until the IRA resumes its cease-fire, and Britain says there would have to be a waiting period to determine whether the IRA intends to abandon violence forever. The IRA indicates that it will not restore the cease-fire unless it is guaranteed that the move would result in the immediate inclusion of Sinn Fein in the talks.

There is little expectation that this circle can be squared until after British parliamentary elections, which must take place before June. Until then, the best that officials say they can expect would be that the violence would get no worse.

John Hume, leader of the mainstream, predominantly Catholic Social Democratic and Labor Party, notes that in the IRA policy statement there is a promise to cooperate in a "meaningful process." But most people who follow the situation say the statement is another way of saying Sinn Fein must be allowed into the talks immediately, without conditions.

"I can see the logic in the Republican position," said Paul Arthur, a political science professor at Ulster University. "In their low-intensity war, the IRA is using violence to communicate, to say we haven't gone away — we can switch it on and off. This keeps the activists relatively happy and united. But this is dangerous. One operation goes wrong and leads to an atrocity, killing civilians, and the whole thing spins out of control."

Protests Open Up Rifts In Serbian Ruling Party

Confusion Seen at the Center of Power

By Chris Hedges
New York Times Service

BELGRADE — The battle for control of Serbia's key cities, which the opposition coalition appeared to win in November elections but lost when the government annulled the results, has opened serious rifts within the ruling Socialist Party.

The faction that emerges triumphant from the power struggle will either propel Serbia toward democracy, and toward compromise, or plunge the country into an authoritarian rule that gives up any pretense of democracy.

The often conflicting and contradictory measures taken by the government over the past few weeks, Western diplomats contend, are a measure of the confusion and lack of direction that currently grips those around President Slobodan Milosevic. Although the president has become even more reclusive and uncommunicative than in the past, refusing even to meet with Western ambassadors, many here say they see hints of a compromise to end the two-month-old political crisis.

NEWS ANALYSIS

"Tensions have been simmering within the government for months," said a senior Western diplomat, "but it took tens of thousands of protesters on the streets of Belgrade and other large cities to open these deep and perhaps permanent rifts. From what we see, the voices of reason are more numerous."

Many government workers no longer have the stomach to fight the opposition and to tarnish the country's image abroad even further, especially after the sanctions imposed on Serbia over Mr. Milosevic's role in supporting Bosnian Serbs during the war in Bosnia.

Two deputy prime ministers in Mr. Milosevic's Socialist government, in an unexpected move, said on Saturday that certain results in the Serbia-wide municipal elections should not have been canceled. They went on to say that the "genuine and final" outcome must be respected.

Serbia's independent press has also reported that Prime Minister Mirko Marjanovic has been fired. And while the report has not been confirmed, student demonstrators who attempted to meet Mr. Marjanovic were told he was "absent."

The mayor of Belgrade, Nebojsa Covic, who reportedly was ready to hand over city hall to the opposition after the November vote, has also called on the government to respect the initial vote count.

The decision by senior members of Mr. Milosevic's government to question the annulment publicly would have been unthinkable two months ago. And it seems to indicate, diplomats said, a depth of feeling within the governing party that confrontation could be a fatal mistake.

Most senior police officials, and nearly all senior military officials, have told the president that they will not use force to crush the street protests, Western diplomats said.

"In many ways, Mr. Milosevic has no choice," said a European diplomat. "He may not want to compromise, but it doesn't look like he has a lot of choice. I think a lot of people within his own party now see this.

"This is a revolution; it is slow and laborious, but the centers of power will not be the same when this is over."

The Greek foreign minister, Theodoros Pangalos, after weekend talks with Mr. Milosevic, said that he thought a solution "was possible soon" based on a report by the Organization for Security and Cooperation in Europe, which was permitted by the government to review the election results, that upheld opposition victories in disputed elections.

The Zajedno opposition coalition won control of 14 of Serbia's 19 largest cities, including the capital, Belgrade, and second largest city, Nis. But the government hastily canceled the victories, charging unspecified "irregularities." The annulment sparked the eight weeks of protests.

A delegation led by the former prime minister of Spain, Felipe Gonzalez, on behalf of the Organization for Security and Cooperation in Europe, declared the elections valid and called on the government to respect the opposition victories.

"From what we have discussed up to now, it seems that the Gonzalez report has to be applied totally, including the city council of Belgrade," Mr. Pangalos said.

"My deep belief is that a solution is possible and those who should take the appropriate steps should take them immediately so as not to have consequences that will be extremely annoying for the economy and the strength and existence of Serbia."

Part of the division among the Socialists comes from the role of the Yugoslav United Left, founded three years ago and led by Mr. Milosevic's wife, Mirjana Markovic.

Many in the Socialist Party voice open contempt for Miss Markovic's party, a collection of neo-Communists that has siphoned power from the Socialists and advocated a hard line against the daily street protests, calling the protesters "terrorists" and "foreign agents."

The forays by the United Left party into government ministries, the arts, state-owned factories and the state-run media has annoyed old party stalwarts who made the switch from Communist rule to Mr. Milosevic's government.

Any compromise would help open the political debate and lessen the government's iron grip on state institutions. It would also assist the opposition coalition in its struggle to topple Mr. Milosevic in elections later this year.

Serb Coalition Fears Protests Face Violence

Reuters

BELGRADE — Organizing a huge Orthodox New Year's Eve rally, Serbia's opposition urged the army and police Monday to declare their position on alleged demands that the eight-week-old protests be crushed.

"Top officials of the Socialist Party of Serbia and the Yugoslav United Left are demanding that the police use force to crush demonstrations in Serbia," the Zajedno coalition said in a statement.

It alleged that the Socialist Party and the United Left were "obviously seeking to provoke large conflicts and impose an official state of emergency in Serbia.

"The coalition therefore demands that the general staff of the army of Yugoslavia and the Serbian interior ministry protect the citizens and state interests of Serbia, which are being openly attacked and jeopardized" by the two parties, the coalition said.

It did not reveal the source of its information on the alleged plan to crack down on the democracy movement.

But respected independent media have reported that a hard-line faction is pushing for drastic police action to get protesters off the streets.

However, support for violent repression was believed to be weak in the army and not so strong in the security police as in similar situations earlier in the decade-old rule of the autocratic president, Slobodan Milosevic.

At a recent meeting with Belgrade students, who have sided with Zajedno in its peaceful daily protests, the Yugoslav Army chief, General Momcilo Perisic, said the military would stay neutral, thus tacitly backing the protesters.

Authoritative sources say most army officers would not back Mr. Milosevic after he humiliated them with widespread purges of their ranks after the unsuccessful 1991 war over Croatia's secession from Yugoslavia.

The police have so far generally exercised restraint against protesters.

Bulgaria Socialists, in Shift, to Accept Early Vote

Compiled by Our Staff From Dispatches

SOFIA — The governing Socialist Party accepted on Monday the principle of early legislative elections in Bulgaria as called for by the opposition, the executive committee of the former Communist Party announced.

"The party accepts the principle of early elections in the context of a national anti-crisis program," the party said in a statement read out on two television channels.

Thousands of Bulgarians have demonstrated across the country for 10 days, hitting the streets in Sofia since Friday, demanding that the unpopular government call immediate elections.

Although the government resigned last month, the Socialist Party, the largest in Parliament, has refused to grant early elections. A vote is not scheduled until December 1998.

Georgi Parvanov, chairman of the Socialist Party, which won the last elections in 1994, agreed Sunday to open talks on early elections, but only on the condition that the opposition "stop the confrontations" and allow his party to form a new government with a program for at least a year.

But the opposition wants the Socialists to call elections immediately.

Under the constitution, the Socialists, can continue ruling until the next election.

The chances of that happening diminished Friday after clashes around the Parliament between protesters and police.

The opposition said 258 people were injured, while the Socialists put the figure at 179.

Monday, for the fourth straight day, about 30,000 people marched through the center of Sofia.

The opposition, encouraged by daily demonstrations in neighboring Serbia against another unpopular regime, blames the Socialist Party for the growing poverty and spiraling inflation that have made their country one of the paupers of Eastern Europe.

Inflation in Bulgaria is currently estimated at 311 percent, with the economy verging on collapse.

Shouting "Pobeda" (victory) and "Never again the Communists," the demonstrators filed in front of the Alexander Nevsky Cathedral, next to the scene of the violent clashes.

"Governments come and go, people remain," one fervent anti-Communist told the crowd. "We don't have any alternative to victory to stop the red mafia pillaging Bulgaria."

Earlier Monday, students marched past the embassies of the United States, Italy and Austria and sent in petitions demanding the support of the United States, the North Atlantic Treaty Organization and the European Union.

They also called on the West to withhold financial support for the country for as long as the former Communists remain in power.

The opposition has called for a general strike to increase pressure on the Socialists, which could begin Wednesday, according to Stefan Raichev, chairman of the strike committee of the Promiana union, close to the opposition.

On Monday, thousands of workers went on strike to push the government into a vote, and the country's largest labor union pledged to stop work Tuesday.

Krastyu Petkov, the leader of the Confederation of Independent Trade Unions, which claims 1.5 million members in this country of 8.5 million, said it would join labor protests called by the opposition to paralyze Bulgaria's already moribund economy and press its demand for early elections. Action will start Tuesday, Mr. Petkov told the private radio Darik.

Another independent union, Podkrepa, representing several hundred thousand workers, said its members would join the nationwide strike Wednesday.

The opposition has the support of incoming president Peter Stoyanov, who takes office on Jan. 22. *(AFP, AP)*

Chirac Pledges to Protect The Endangered Baguette

Reuters

PARIS — President Jacques Chirac promised French bakers on Monday to push through a law to protect their crusty baguette loaves from cut-price rivals and supermarkets if a new decree to that effect fails.

Up to 5,000 shops selling bread in France have had to take down "bakery" signs under the decree in force since Jan. 1. The decree states that bakers must select flour, knead dough and bake bread on their premises.

Mr. Chirac told the National Bakers' Federation, "It would naturally be very easy to affirm our political determination with a law."

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TRAVEL UPDATE

Strikes in Greece On and Off

ATHENS (Reuters) — Ships remained in port Monday in Greece after seamen renewed for 48 hours their strike for better benefits.

In another labor dispute, garbage collectors in Athens suspended their walkout until Feb. 20 after extensive floods swept tons of garbage onto the city's streets.

Five persons have been killed and one is missing in the floods, which choked towns and villages with masses of muddy rubble after the waters receded Monday.

SAS to Cut Prices Further

COPENHAGEN (Bloomberg) — Scandinavian Airlines and Lufthansa, its German partner, said they would cut prices further on discount tickets to about 55 European destinations.

Fares on its already discounted "Jackpot" tickets will be valid from Jan. 20 to March 23, SAS said.

Dogs Imperil African Lions

LONDON (AFP) — A disease carried and spread by dogs is devastating the lion population of Serengeti National Park in Tanzania, one of Africa's biggest game preserves, conservationists warned here Monday.

The World Society for the Protection of Animals said canine distemper had killed some 1,000 lions — a third of the park's lion population — since 1994.

Researchers said canine distemper was found to be passed to lions from domestic dogs owned by the Masai and other local communities through hyenas and jackals.

WEATHER

Europe

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Algarve	17/62	12/53 r	16/61	9/48 r
Amsterdam	7/44	3/37 c	8/46	4/39 pc
Ankara	8/46	2/35 sh	3/37	-5/24 r
Athens	11/52	7/44 sh	11/52	7/44 c
Barcelona	12/53	3/37 pc	11/52	4/39 pc
Belgrade	4/39	-1/31 pc	6/43	1/34 c
Berlin	3/37	1/34 c	7/44	3/37 pc
Brussels	9/48	2/35 s	8/46	4/39 pc
Budapest	1/34	-2/29 pc	3/37	-1/31 pc
Copenhagen	7/44	3/37 c	8/46	3/37 pc
Costa Del Sol	18/64	10/50 pc	16/61	9/48 sh
Dublin	14/57	9/48 c	12/53	6/43 c
Edinburgh	12/53	7/44 c	11/52	7/44 c
Florence	9/48	2/35 pc	11/52	4/39 pc
Frankfurt	1/34	-6/22 pc	2/35	-3/27 pc
Geneva	6/43	1/34 pc	7/44	2/35 s
Helsinki	1/34	-2/29 pc	4/39	-3/27 r
Istanbul	10/50	4/39 c	7/44	4/39 c
Las Palmas	20/68	17/62 sh	21/70	17/62 pc
Lisbon	16/61	11/52 c	14/57	9/48 sh
London	8/46	4/39 s	12/53	5/41 pc
Madrid	12/53	2/35 pc	11/52	-1/31 pc
Mallorca	10/50	4/39 pc	10/50	5/41 pc
Milan	8/46	1/34 s	9/48	2/35 s
Moscow	-6/22	-12/11 pc	-1/31	-4/25 c
Munich	7/44	0/32 c	7/44	1/34 s
Nice	13/55	6/43 pc	13/55	7/44 pc
Oslo	2/35	-2/27 c	6/43	0/32 pc
Paris	3/37	0/32 c	7/44	3/37 pc
Prague	-3/27	-7/20 pc	0/32	-5/22 pc
Reykjavik	2/35	-10/15 c	-8/18	-8/18 pc
Rome	12/53	4/39 pc	14/57	6/43 pc
St. Petersburg	1/34	-4/25 sn	3/37	-1/31 sn
Stockholm	1/34	-4/25 pc	3/37	-1/31 pc
Strasbourg	7/44	2/35 pc	7/44	3/37 pc
Tallinn	2/35	-2/29 pc	4/39	-3/27 r
Venice	9/48	1/34 s	11/52	4/39 s
Vienna	-1/31	-3/27 c	9/48	3/37 pc
Warsaw	3/37	-1/31 c	5/41	0/32 pc
Zurich	7/44	1/34 c	8/43	3/37 s

Middle East

Abu Dhabi	24/75	14/57 s	24/75	14/57 s
Beirut	22/71	16/61 r	17/62	12/53 sh
Cairo	21/70	10/50 t	19/66	9/48 s
Damascus	17/62	3/37 pc	10/50	2/35 c
Jerusalem	17/62	8/46 sh	10/50	3/37 pc
Luxor	27/80	12/53 pc	24/75	4/39 s
Riyadh	21/70	11/52 c	24/75	13/55 pc

Forecast for Wednesday through Friday, as provided by AccuWeather.

North America
Remaining cold across the northern Plains and Great Lakes, though not as extreme as recently. The mid-Atlantic and Northeast will be seasonable into Thursday with snow possible Thursday; turning colder Friday. Florida and the deep Southeast will be mild, while the West stays quiet.

Europe
Much of Europe will be dry with near- to above-normal temperatures through Friday. However, showers will affect the British Isles Thursday and Friday. Italy into southeastern Europe will likely enjoy the warmest weather, while the Baltics and far northeastern Europe stay rather cold.

Asia
Northeastern China, Manchuria and both Koreas, as well as Beijing and Seoul, will be mainly dry and cold through Friday. However, flurries could affect Beijing Thursday and Seoul Friday. Chilly in Tokyo Wednesday, then gradually turning milder. Seasonable in Singapore and Hong Kong.

North America

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Anchorage	0/32	-3/27 sn	2/35	-3/27 c
Atlanta	6/43	-1/31 pc	10/50	4/39 pc
Boston	4/39	-4/25 pc	2/35	-4/25 pc
Chicago	-10/15	-13/9 s	-3/27	-10/15 sn
Dallas	1/34	-2/29 c	6/43	1/34 pc
Denver	0/32	-13/9 pc	-4/25	-15/6 pc
Detroit	-9/16	-11/13 pc	-1/31	-7/20 sn
Honolulu	27/80	20/68 pc	28/82	19/66 pc
Houston	4/39	3/37 r	10/50	6/41 c
Los Angeles	14/57	6/43 sh	18/64	7/44 pc
Miami	23/73	17/62 sh	26/79	19/66 t
Minneapolis	-12/11	-21/-5 c	-7/20	-16/0 c
Montreal	-5/24	-11/13 c	-5/24	-16/4 pc
Nassau	24/75	19/66 t	26/79	20/68 c
New York	2/35	-3/27 pc	2/35	-2/29 pc
Orlando	19/66	11/52 pc	23/73	14/57 sh
Phoenix	13/55	4/39 pc	18/61	6/43 pc
San Fran.	10/50	4/39 c	10/50	7/44 sh
Seattle	4/39	-1/31 s	6/43	1/34 pc
Toronto	-3/27	-7/20 sn	1/34	-9/16 pc
Vancouver	4/39	-1/31 s	4/39	4/39 sh
Washington	2/35	-3/27 s	2/35	1/34 pc

Asia

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Bali	31/88	23/71 r	33/91	22/71 pc
Bangkok	31/88	19/66 s	31/88	21/70 pc
Beijing	1/34	-9/22 s	3/37	-4/25 pc
Bombay	28/82	14/57 s	27/80	14/57 s
Calcutta	23/73	14/57 pc	23/73	13/55 pc
Chiang Mai	32/89	17/62 s	31/88	19/66 pc
Colombo	30/86	22/71 pc	29/84	23/71 pc
Hanoi	21/70	16/61 sh	21/70	16/61 c
Ho Chi Minh	32/89	21/70 pc	32/89	22/71 s
Hong Kong	20/68	18/61 sh	19/66	15/59 c
Islamabad	16/64	2/35 pc	15/61	3/37 pc
Jakarta	29/84	23/73 t	29/84	24/75 t
Karachi	24/75	8/46 s	25/77	8/48 s
K. Lumpur	31/88	23/73 c	31/88	22/71 t
K. Kinabalu	30/86	25/77 pc	31/88	24/75 pc
Manila	29/84	19/66 pc	29/84	19/66 pc
New Delhi	24/75	4/39 s	24/75	4/39 s
Phnom Penh	30/86	21/70 s	30/86	22/71 pc
Phuket	31/88	23/66 s	31/88	21/70 pc
Rangoon	31/88	19/66 s	30/86	20/68 pc
Seoul	2/35	-10/15 s	1/34	-9/16 s
Shanghai	6/43	2/35 r	8/46	3/37 c
Singapore	31/88	23/73 pc	31/88	23/73 pc
Taipei	20/68	14/57 sh	21/70	16/61 sh
Tokyo	11/52	3/37 pc	7/44	1/34 s
Vientiane	21/70	17/62 sh	21/70	16/61 c

Africa

Algiers	17/62	8/43 pc	18/64	7/44 pc
Cape Town	27/80	16/61 pc	23/73	14/57 s
Casablanca	21/70	12/53 t	17/62	8/48 c
Harare	28/84	12/53 c	23/84	10/50 s
Lagos	30/86	23/73 pc	31/88	23/73 pc
Nairobi	30/86	12/53 s	31/88	13/55 s
Tunis	14/57	6/43 pc	14/57	6/43 pc

Latin America

Buenos Aires	30/86	23/73 s	33/91	21/70 pc
Caracas	28/82	22/71 c	23/84	23/71 pc
Lima	25/77	21/70 sh	26/79	20/68 pc
Mexico City	17/62	8/43 pc	20/68	7/44 pc
Rio de Janeiro	31/88	24/75 t	28/82	23/71 pc
Santiago	32/89	12/53 s	30/86	12/53 s

Oceania

Auckland	19/66	13/55 pc	20/68	12/53 pc
Sydney	23/73	14/57 s	24/75	13/55 s

Legends: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow. Hca, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

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THE AMERICAS

U.S. Stalls CNN Move in Cuba

Washington Cites, in Part, Concerns by Network's Rivals

By Larry Rohter
New York Times Service

MIAMI — As president of CNN, Tom Johnson has been through his share of tough negotiations with governments before. But nothing, not even dealing with China's Stalinist bureaucracy when he sought to set up a news office in Beijing, prepared him for the difficulties of getting permission to open a bureau in Havana.

This time, the problem is not a recalcitrant Communist dictatorship: Cuba granted CNN permission to begin operations in Havana more than two months ago. Instead, it is the Clinton administration that is hemming and hawing as it debates the wisdom of allowing American news organizations to establish a permanent foothold in Cuba, the object of a U.S. economic embargo for 34 years.

"This has been a very long and difficult process, and of course we are somewhat concerned, to put it mildly," Mr. Johnson said in an interview in Miami. "That the U.S. government would resist in any way the opening of an independent news bureau by an independent news organization seems to us to run counter to all that this government represents."

Administration officials say they are responding in part to what they describe as concerns expressed by "constituencies" interested in Cuban affairs. That, they said, includes rival news organizations worried that CNN will gain a competitive advantage and distressed that Fidel Castro will have the right to grant or withhold access to Cuba to U.S. media.

That issue came to a head Friday, when Mr. Johnson flew to Miami from Atlanta to meet with David Lawrence Jr., publisher of The Miami Herald. The meeting came about after Mr. Johnson sent a letter to Mr. Lawrence criticizing him for conducting what he called a "campaign to convince the U.S. government to block" CNN's request to open a Havana bureau.

"I am astounded and dismayed that for purely competitive reasons you would call upon the U.S. government to hinder CNN's legitimate news coverage efforts," Mr. Johnson wrote. "Your stance is contrary to your long record of support for a free press and the First Amendment."

CNN says it is required to obtain a U.S. government "license" to open operations in Cuba because the embargo, which was extended last year by the Helms-Burton Act, strictly limits the sums American citizens and corporations can spend in Cuba.

If successful, CNN would be the first U.S. news organization to have a bureau in Havana since the Cuban government expelled the last resident Associated Press correspondent in 1969.

In a telephone interview, Mr. Lawrence said that The Miami Herald had never opposed CNN's effort to open an office in Cuba. Speaking after the meeting with Mr. Johnson, he added: "I think he understands that now."

The Herald, which is owned by Knight-Ridder, has long sought increased access to Cuba, but has often been thwarted because Cuban officials object to the substance and tone of the newspaper's coverage.

More than half of all Cuban-Americans live in South Florida, and coverage of Cuban affairs is a major part of The Herald's news coverage and the backbone of El Nuevo Herald, its daily Spanish-language edition.

Most Cuban exile leaders in Florida have insisted that Cuba must grant access to Radio and TV Marti — Spanish-language outlets owned and operated by the U.S. government — as part of any arrangement in which private media organizations would open offices in Havana.

Cuban exile groups have been especially critical of CNN's coverage of Cuba, in part because of the friendship between Ted Turner, the network's founder, and Mr. Castro. Mr. Johnson dismissed accusations that CNN is soft on Cuba as "offensive personally and professionally," adding, "We are not pulling any punches in our coverage."

Even if all this opposition is overcome, there still remains the task of winning over the White House. "The issue remains as it was," an administration official said. "CNN made an application and it is under consideration. There's no requirement to make a decision."

Away From Politics

• **Investigators of the Comair commuter plane crash** in Michigan that killed 29 people are trying to discover whether three controls meant to shut off the right engine and activate a fire extinguisher were turned on by the crew, even though there are no signs of fire, or flipped on by the force of the crash. *(AP)*

• **A proposal to recognize black English as a** second language in the Oakland, California, schools has been reworded. The schools' new policy eliminates any suggestion that black English is "genetically based," and cuts several references to it as the predominant primary language of black students. *(AP)*

• **The Georgian diplomat blamed** for a fatal car crash in Washington has a history of drunken driving, President Eduard Shevardnadze of Georgia disclosed. *(AP)*

• **The Globe supermarket tabloid defended** its decision to run police photographs of the scene where 6-year-old JonBenet Ramsey was found slain in Boulder, Colorado. *(AP)*

Paula Illingworth/The Associated Press

Miss Mentavlos, a cadet, says the school broke a promise.

Alleging Harassment, 2 Women Leave Citadel

Washington Post Service

WASHINGTON — Two female cadets at The Citadel who had charged that male students harassed them and set their clothes on fire have announced they will not return to the South Carolina military college for the second semester of their freshman year.

Kim Messer said she had been the victim of "sadistic illegal hazing and disgusting incidents of sexual harassment." Jeanie Mentavlos, the other cadet, said The Citadel had broken its promise that her freshman year would be "rough but safe." Her older brother, reportedly only three credits shy of graduation, also announced that he would not be returning because of "current circumstances."

The withdrawal of the women was the latest development in a four-year battle over the opening of public military colleges to women. The fight has cost millions of dollars and has been carried to the Supreme Court.

Two other female cadets, Nancy Mace and Petra Lovetinska, have made no allegations of harassment.

Simpson Admits to Infidelity, But Testifies He Isn't a Liar

The Associated Press

SANTA MONICA, California — O. J. Simpson acknowledged Monday that "from time to time" he was unfaithful to Nicole Brown Simpson, conceding that the behavior was morally dishonest but saying it did not mean he was a liar.

The plaintiffs' lawyer, Daniel Petrocelli, conducted an aggressive cross-examination after Mr. Simpson concluded five hours of friendly questioning Friday and Monday from his own lawyer.

An objection by the defense brought the proceedings to a halt within minutes when Mr. Petrocelli tried to question Mr. Simpson about Mrs. Simpson's diary entries. They included one in which Mrs. Simpson wrote that Mr. Simpson had beat her before the couple's well-known 1989 argument and that they had lied to a doctor about the nature of her injuries.

After the defense attorney, Robert Baker, objected, there was a long sidebar conference. The jury was sent out, and Mr. Simpson left the stand for his seat in the courtroom. The judge then called a recess and went into his chambers without the lawyers.

The proceedings did not resume until after the lunch break, so the nature of the defense's objection was not immediately known.

During his direct testimony, Mr. Simpson was never asked about the physical evidence, including 30 newly discovered photos purporting to show him wearing the same model shoes as the killer.

Mr. Simpson ended the direct testimony by emotionally telling that he refrained from committing suicide during the infamous slow-speed Bronco chase of June 17, 1994, only because of his mother and his friend Al Cowlings.

"I was in a lot of pain," Mr. Simpson said Monday. "I was missing Nicole, and my kids didn't cry." He added that he felt that some people "had attacked me somewhat, and that hurt me, and I just didn't know what to do."

Mr. Simpson said the only thing that saved him was Mr. Cowlings and memories of his mother saying that a person could not get into heaven if he killed himself.

"I was totally ashamed of myself right after that, and I'm ashamed I ever thought" of suicide, Mr. Simpson said.

Earlier, Mr. Simpson's voice wavered as he told jurors that he worried whether his children had seen the body of their mother after she was stabbed to death.

Mr. Simpson spoke of an telephone discussion with a police officer after he was contacted in Chicago about the death. Testifying in a faltering voice, he said: "I wanted to know if my kids had been exposed to anything."

Mr. Simpson said he was told that the children, Sydney and Justin, had been asleep and did not see anything, and had been put in police custody.

It was the first time Mr. Simpson has shown any emotion in two rounds of questioning in the wrongful death trial.

The lawsuit was filed by the families of Mrs. Simpson and Ronald Goldman, who were knifed to death on June 12, 1994, outside her condominium.

Under hostile questioning by the plaintiffs' lawyers earlier in the trial, Mr. Simpson appeared nervous. After taking the stand for the defense's questioning, he has seemed relaxed and talkative.

In his direct testimony Monday, Mr. Simpson also said — contradicting several other witnesses — that he was not in a bad mood the day of the killings. He described a golf course argument that morning as a normal spat between friends. He said he also was not upset at a dance recital where he met Mrs. Simpson just hours before her death.

Mr. Simpson was questioned about other testimony from witnesses that he had known early on that Mrs. Simpson was killed by an attacker, not in a car accident or some other way, and that someone else was killed.

The plaintiffs have used that testimony to suggest that Mr. Simpson knew more than he should. Mr. Simpson said he was not sure whether he ever specifically asked the police or his daughter in telephone calls whether Mrs. Simpson had been murdered.

7 Blacks Get Medal of Honor

World War II Tribute 'Has Always Been Their Due'

Reuters

WASHINGTON — Seven African-American heroes of World War II received long-delayed recognition Monday as President Bill Clinton presented them with the nation's highest award for bravery in combat, the Medal of Honor.

"It's a great day. We've all been vindicated," said Vernon Baker, 77, of St. Maries, Idaho, the only one of the seven men still alive, after receiving a medal previously withheld from African-Americans who fought in the conflict.

"No African-American who deserved the Medal of Honor for his service in World War II received it," Mr. Clinton said at a crowded White House ceremony. "Today we fill the gap in that picture and give a group of heroes who also loved peace, but adapted themselves to war, the tribute that has always been their due."

In addition to Mr. Baker, the men honored were Edward Carter Jr., John Fox, Willy James Jr., Ruben Rivers and Charles Thomas, all of whom fought in Europe, and George Watson, who was killed in action in the Pacific.

"Today, we recognize seven men as being among the bravest of the brave," Mr. Clinton said. "Today, America is profoundly thankful for the patriotism and the nobility of these men and for the example they set, which helped us to find a way to become a more just, more free nation."

The award of the United States' highest military decoration to Mr. Baker and his comrades-in-arms resulted from a study that started in 1993 when the acting army secretary at the time, John Shannon asked about the conspicuous absence of black Medal of Honor recipients in World War II.

Conducted by Shaw University, a historically black North Carolina institution, the study found no official documentation for racial prejudice in the awards process but concluded that the failure of blacks to win the highest U.S. military award lay in the racial climate and practices in the armed services of that period.

Gunfire Resounds in Captive Lima Residence

The Associated Press

LIMA — Several shots were fired Monday inside the Japanese ambassador's residence where 74 hostages are being held by leftist rebels, but no one was hurt.

The shots were fired in rapid succession minutes after a Red Cross representative had left the compound.

No unusual activity was seen inside afterward, but it was the largest burst of gunfire since the Tupac Amaru guerrillas stormed the residence during a party on the night of Dec. 17.

Twice previously, the rebels had fired during the predawn hours in what the Red Cross was later told were warning shots.

On Dec. 26, an explosion was attributed to one of the ambassador's dogs; it tripped a land mine and was killed.

The gunfire Monday came minutes after a Red Cross representative, Michel Minnig, walked out of the compound. Hours earlier, the rebels had demanded a television interview to respond to a government proposal to form a peace commission to oversee negotiations.

Mr. Minnig went back inside the residence after the gunfire, came out a short while later and said nobody was hurt. When asked the reason for the shots, he answered, "We are trying to figure that out."

Hopes for the first real progress in weeks in Peru's hostage crisis crumbled over the weekend, when guerrillas demanded that the government produce a plan to free hundreds of their imprisoned comrades.

The Tupac Amaru guerrillas have been firm in that demand since taking over the residence, and President Alberto Fujimori has just as firmly said that he will not give in to it.

The rebels and the government negotiator, Domingo Palermo, had tentatively agreed to meet Sunday.

But Mr. Palermo said no meeting was held because the rebels, in a message sent through the Red Cross, insisted that he "bring a proposal for the liberation of the prisoners."

He quoted the guerrillas as saying that "otherwise it is preferable that the meeting not take place," because there would be nothing to discuss.

Mr. Palermo said he sent back a proposal to form a commission to help negotiate a settlement with the rebels.

The panel would be composed of representatives from the government, the rebel group, the Red Cross and the Roman Catholic Church. It would agree on a place for negotiations and an agenda that would include "all themes identified in previous contacts," Mr. Palermo said.

The Vatican on Sunday named the archbishop of Ayacucho in southern Peru, Juan Luis Cipriani, as its representative to any peace commission that might be formed, Mr. Palermo said. Archbishop Cipriani has been a key figure in the negotiations.

In a two-way radio conversation Friday, Mr. Palermo and the rebel leader, Nestor Cerpa Cartolini, agreed to meet over the weekend. The conversation was recorded and broadcast by local news media.

Mr. Palermo criticized the broadcast Sunday, saying the unidentified reporter who recorded and distributed it was unethical and dishonorable.

■ Ecuador Chief Arrives

President Abdala Bucaram Ortiz of Ecuador arrived in Peru on Monday for an official visit aimed at easing tensions between the countries following a brief border conflict last year, Reuters reported.

It was the first official visit to Peru by an Ecuadoran head of state. Ecuador and Peru fought a brief war in January last year. Since then, they have been locked in peace negotiations over the disputed frontier.

The Tupac Amaru rebels holding the hostages responded to Mr. Bucaram's arrival by putting up a placard at a window of the house reading: "The people of Peru and Ecuador wish for peace with social justice."

POLITICAL NOTES

A Breeze on Confirmations

WASHINGTON — Bad news for anyone hoping for nasty Senate confirmation fights over Clinton cabinet nominees: Word from the Senate and the White House is that other hearings may not be love-ins, a la Madeleine Albright's last week, but that there will not be much blood spilled.

The only sure bet for a lively brawl is the appearance of the national security adviser, Anthony Lake, before the Senate intelligence committee. The nominee to head the CIA is certain to be hammered over his failure to tell some stocks and for not telling Congress about Iranian arms shipments to Bosnia. The problem for spectators is that CIA hearings are part public and part private, so some of the best stuff may not be in view.

Aside from Mr. Lake, it could be slim pickings — hardly worth the price of a ticket. Blame the Senate majority leader, Trent Lott, Republican of Mississippi, who is "not hunting" for scalps, a source said. If a problem arises — always a possibility — then of course the usual fight will ensue. *(WP)*

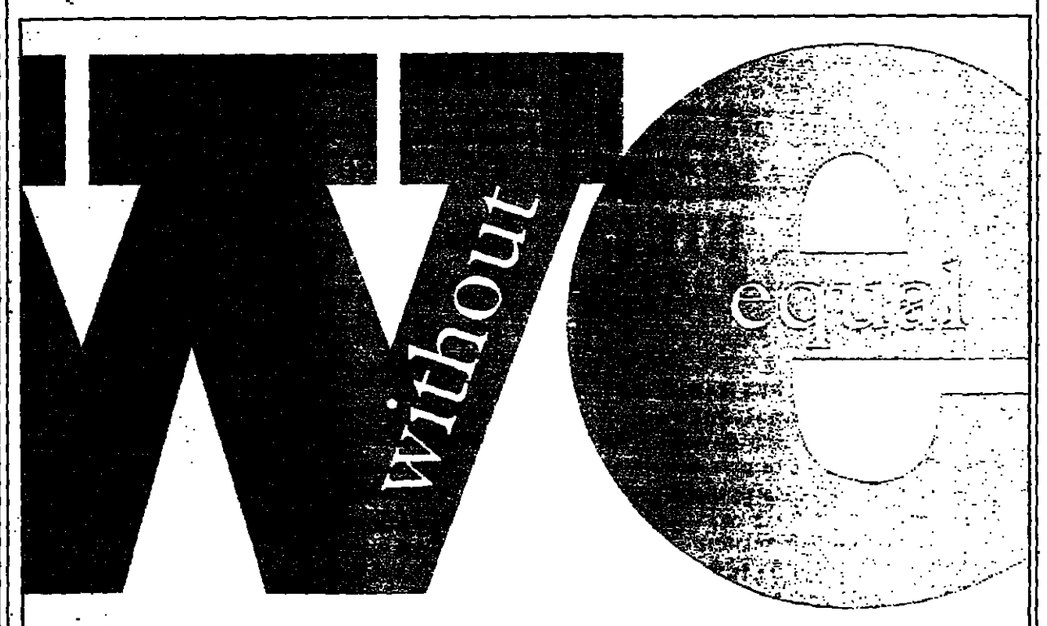
No Timetable on Gingrich

WASHINGTON — With a week to go until the House is to vote on a punishment for Newt Gingrich, the speaker, there is still no schedule for public hearings on the ethics violations to which he has admitted or any plans for the parties to regroup since their bitter split last week.

The only events on the calendar come Thursday, when James Cole, special counsel for the ethics committee who has overseen the investigation into the charges, is to present his report to the panel. On the following Tuesday, the House is to vote on a punishment. What could happen in between is anyone's guess. *(NYT)*

Quote/Unquote

Joseph Cammarata, a lawyer for Paula Corbin Jones in her harassment suit against President Clinton: "What's at stake here is reputation. She wants her good name and reputation restored, and if she dies or the president were to die, then her claim for defamation would be extinguished." *(AP)*



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Will your merger or acquisition create value – or chaos?

16 – 21 March 1997

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Philippe Haspeslagh, Professor of Business Policy, Programme Director.

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ASIA/PACIFIC

Dalai Lama Accepts Invitation to Taiwan

Decision Defies Warning by Beijing

Compiled by Our Staff From Dispatches

TAIPEI — The Dalai Lama, Tibet's spiritual leader, has accepted an invitation to make his first trip to Taiwan, despite a warning from China.

The Chinese Buddhism Association, which made the invitation, said Monday that the Dalai Lama would limit his activities to visiting temples during his visit, tentatively scheduled for March.

A visit by the Dalai Lama to the island almost certainly would provoke charges by Beijing of collusion between what it condemns as proponents of the secession from China of two major territories — Taiwan and Tibet. Last week, China warned Taiwan against extending the invitation.

The head of Taiwan's private Chinese Buddhist Association, Chin Hsin, said the senior monk of Tibetan Buddhism would steer clear of the exiled Republic of China government.

"We will arrange one or two speeches, and he will visit some temples," Mr. Chin said on state television. "He will have absolutely no official contacts or activities."

Even without official contacts, such a visit would doubly anger Beijing, which sees its struggles for the future of Taiwan and Tibet as core issues of Chinese sovereignty and territorial integrity.

Beijing assails the Dalai Lama, who went into exile in India in 1959, as a "splitist" seeking to divide Tibet from China and accuses governments that allow him to visit of meddling in China's internal affairs.

Similarly, China regards Taiwan as a renegade province whose separation from the mainland since the civil war ended in 1949 can be resolved only through reunification under Beijing's rule.

In its quest to secure Taiwan, Beijing has been tightening a diplomatic embargo around the island and criticizing even friendly countries that allow visits by Taiwan leaders.

Taiwan's governing Nationalists and the Dalai Lama deny advocating independence for their territories, but both denounce Beijing's authoritarian rule and insist that reconciliation would oblige the Communists to accept fundamental political reforms.

President Lee Teng-hui of Taiwan was reported to have invited the Dalai Lama to Taiwan in an exchange of letters in May 1996.

Likewise, the Taiwan cabinet's Mainland Affairs Commission has said that the Dalai Lama was free to visit Taiwan, but only in his capacity as a religious figure.

Taipei's insistence that the Dalai Lama visit only as a monk suggests that the Taiwan government itself has reservations about the Buddhist's vision of the Tibetan future. Like their Communist rivals, the Nationalists regard Tibet as a part of China and oppose its secession as an independent state. *(AP, Reuters)*

Agence France-Presse

CASTING A SHADOW — Construction workers on Monday building a reinforcement grid of iron bars for a power substation in Manila, which is part of a power-supply upgrade in the Philippine capital.

Japan Pushes ASEAN Chiefs To Upgrade Ties to Tokyo

By Michael Richardson
International Herald Tribune

SINGAPORE — Japan and Southeast Asian countries appeared close to agreement Monday on the need for a major upgrading of their relations to help maintain the stability and economic dynamism of the Asia-Pacific region.

Prime Minister Ryutaro Hashimoto of Japan said that in talks over the past week with leaders of five members of the Association of Southeast Asian Nations he proposed that they hold summit meetings with Japan at least once a year to deepen ties.

"I think this idea I proposed can be realized," he said at a press conference in Singapore, the last stop on his tour of ASEAN countries. "I do not think there was any leader who showed a passive or negative response to the idea."

Mr. Hashimoto will return to Tokyo from Singapore on Tuesday after giving what Japanese officials say will be a major policy speech on Asia.

On his tour, he visited Brunei, Indonesia, Malaysia and Vietnam as well as Singapore. He had earlier been to the other two ASEAN countries — Thailand and the Philippines.

A Singapore Foreign Ministry spokesman said Monday that Goh Chok Tong, Singapore's prime minister, agreed with Mr. Hashimoto that it would be useful for ASEAN and Japan to have more consultations at the highest levels.

A Japanese official said that Indonesia's president, Suharto, would propose regular summit meetings with Japan when ASEAN leaders hold their next annual meeting later this year.

Japan already takes part in annual meetings with ASEAN — along with the United States, the European Union, China, South Korea and other countries — at foreign minister level.

But having regular Japan-ASEAN meetings of prime ministers and presidents, probably at the same time as ASEAN leaders hold their annual meeting, would give Tokyo an exclusive and preeminent relationship with the group, which is becoming one of the world's top trading and investment blocs.

For this reason, analysts said, some ASEAN countries, including Malaysia, were likely to suggest that similar invitations be issued to China and South Korea as well to keep regional relations in better balance.

Southeast Asian officials say that while the Asia-Pacific region is enjoying peace and prosperity, tensions could lead to conflict and rapidly undermine economic progress.

While many of those tensions are in Northeast Asia — between the two Koreas, China and Taiwan, China and Japan, and Japan and Korea — problems also remain in Southeast Asia, especially over ownership of the Spratly Islands, an uninhabited archipelago in the South China Sea that may have vast energy stores. The islands are disputed by Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam.

In a speech at a dinner for Mr. Hashimoto on Monday, Mr. Goh said that if "countries in the region work together, these conflicts need not escalate into unmanageable crises."

He said that while a "continuing and vibrant partnership" between Japan and ASEAN could contribute to regional stability, Japan should emphasize its interdependence and links with its Asian neighbors "because the region is aware that Japan perceives its society to be unique."

Mr. Goh added that with "a good feel and understanding for the sensitivities and concerns of its Asian neighbors, Japan's leadership will be viewed more positively."

Hong Kong Row Over Resignation To Be Detailed

Agence France-Presse

HONG KONG — The Hong Kong government is expected to give detailed evidence Wednesday in a dispute over the sudden resignation last year of the territory's immigration director, Lawrence Leung, an official said Monday.

Ip Kwok-him, chairman of the Legislative Council committee that is investigating Mr. Leung's resignation last July, said that the civil service secretary, Lam Woon-kwong, would appear before the panel Wednesday.

He also said that Governor Chris Patten and the government's chief secretary, Anson Chan, would be summoned before the panel "at a suitable time."

Mr. Lam said last week that he would make a statement to clear the air, speaking immediately after Mr. Leung stunned lawmakers by saying he had been forced out of his job following a corruption inquiry.

Mr. Leung, 55, told legislators on Friday that he had been given an ultimatum: leave or face further action. The nature of the investigations about him still has not been revealed.

Officials have defended their actions, saying that the government had not hidden anything or lied since Mr. Leung's retirement in July.

There has been widespread concern that Mr. Leung may have given China secret data about Hong Kong residents who have sought to acquire foreign passports.

Hundreds of thousands of Hong Kong citizens have foreign passports, which many view as security if the territory's handback to China on July 1 goes awry.

BRIEFLY ASIA

Afghan Factions Hold Talks

ISLAMABAD, Pakistan — Feuding Afghan factions met in Islamabad under United Nations auspices Monday in what a UN official described as a wide-ranging dialogue for peace.

The UN special envoy for Afghanistan, Norbert Holl, said at a news conference that the talks, expected to continue Tuesday and possibly Wednesday, had no formal agenda.

"This was the first meeting that we had today that did not end in disaster," the German diplomat said after the working group of rival factions met for several hours. "There was a free flow of ideas," he said. "There was a spirit of brotherhood in the meeting."

Mr. Holl gave no details and did not say if the two sides had reached agreement on a cease-fire or other peace proposals. *(Reuters)*

Japan Hastens Oil Cleanup

TOKYO — The government stepped up its effort Monday to contain one of the largest oil spills in Japanese history, nearly doubling the number of boats mopping up the slicks, as thousands of volunteers helped clean up.

Authorities also began studying photographs taken by a Canadian satellite over the weekend to better track the dozens of slicks that formed after oil spilled from a sunken Russian tanker Jan. 2.

The Coast Guard increased to 50, from 30, the number of patrol boats clearing slicks that are threatening an 800-kilometer (500-mile) stretch of the western coastline, said a spokesman, Masakatsu Hayashi. *(AP)*

Mother Teresa to Step Down

CALCUTTA — The Missionaries of Charity order founded by Mother Teresa 47 years ago will elect a leader next month, Calcutta's archbishop said Monday.

His announcement came after a long-time friend said Mother Teresa, 86, confided last month that she wanted to step down because of health problems.

"This time, Mother Teresa has finally decided to leave the post of superior general, as her health is coming in her way," the friend, Sunita Kumar, said in an interview.

Mother Teresa has led the order since founding it in 1950. She tried to step down in 1990, but the other nuns re-elected her anyway. Mrs. Kumar said Mother Teresa believes her followers will yield to her wishes this time.

Calcutta's Roman Catholic archbishop, Henry D'Souza, said Monday that a vote for mother superior would be held Feb. 2. The nuns in the order will go on a retreat Jan. 20 to discuss the matter. *(AP)*

For the Record

Senior Minister Lee Kuan Yew of Singapore has checked out of a hospital after being treated for an inflamed bladder and should be able to resume normal activities next week, an official statement said Monday. The 73-year-old former prime minister left the Singapore General Hospital on Sunday after doctors removed "a small area of chronic inflammation" from the bladder, said a statement from the office of Prime Minister Goh Chok Tong. *(AFP)*

KOREA: *Cracking Down, Seoul Revives Tough Security Regime*

Continued from Page 1

interrogations, Mr. Kim has unnerved those who remember how it was used to muzzle political enemies.

"There are Communists in our country, and we have no effective way of dealing with them," President Kim told the nation in a rare nationally televised news conference last week, defending his decision to tighten the security law.

Mr. Kim, the first nonmilitary candidate to be freely elected president in three decades, argues that some limits on free speech are the price South Korea must pay for living under constant threat from the heavily armed Stalinist regime 50 kilometers north of the capital. He says — and many agree — that legislative oversight and other curbs he previously imposed on the security agency have made it more accountable to the public.

Hundreds of South Koreans are caught in the murky web of the anti-spy law every year. Last year, 464 people were arrested on security charges, up from 246 in 1995 and 367 in 1994. The government insists that it charges only those who make pro-North Korea statements that directly damage the South Korean government. But many contend that the new, tougher security law will now put even more people behind bars for simply disagreeing with government policy toward the North and will lead to random searches and wiretapping of offices and homes.

Even if the judge releases Mr. Yoon this week, he will have spent almost three months in jail for expressing his thoughts in cyberspace. His family and defenders, outraged at his jailing, say it is absurd that this democratic ally of the United States protects free speech — except when it comes to North Korea.

"This law not only restricts freedom of expression, but freedom of thought," said Mr. Yoon's mother, Chung Ki Ja.

At his news conference, Mr. Kim said he had decided "to revise the law to protect democracy as a last resort."

He two "astonishing" events made the change necessary: the submarine incident and huge student demonstrations at Seoul's Yonsei University in September. He said the incidents proved that the North Korean threat was growing and that North Korean agents were working in the South.

More than 6,000 students were arrested in the Yonsei demonstrations, which were portrayed by the students as calling for peaceful reunification of the Korean Peninsula. The government contends that the protests were directly orchestrated by North Korea with the intention of disrupting social order in South Korea.

Of those arrested, 190 were sentenced to prison terms. Attesting to its sensitivity about the national security law, the government will not disclose how many of those sentences were imposed in compliance with that law.

Kim Bars Easing Of Labor Law

Compiled by Our Staff From Dispatches

SEOUL — President Kim Young Sam has rejected calls to modify a labor law that has provoked strikes and street violence, refusing Monday to yield to threats of expanded walkouts.

Mr. Kim's stand raised fears that a new round of protests scheduled to begin Tuesday could further hurt the country's economy.

"We cannot delay implementing it because the national fortune is depending on it," Mr. Kim said, referring to the law, at a meeting with governing party legislators.

He spoke as hundreds of workers and policemen scuffled in central Seoul, some Catholic priests joined the demonstrators and militant union leaders rebuffed attempts for dialogue.

The president called the new law an "inevitable choice" to help South Korean companies compete in world markets while the country is running a record trade deficit of $20 billion.

To pressure the government to back down, unions have called for expanded strikes Tuesday and Wednesday.

Nearly 1 million workers at subways, phone companies, banks and the national mint are scheduled to take part in the walkout. *(AP, AFP)*

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EUROPE

Upstart Challenges Power Brokers in Bid to Head EU Parliament

By Tom Buerkle
International Herald Tribune

BRUSSELS — As a former secretary-general of the Council of Europe, which seeks to extend democracy to Europe's Eastern frontiers, Catherine Lalumiere has plenty of experience with parliaments that serve as window dressing for dictatorial regimes.

So when the powers that be behind the European Parliament, the only elected body of the 15-member European Union, put forward a single candidate for the legislature's presidency, it was only natural that Mrs. Lalumiere would mount a protest candidacy of her own.

Upbeat despite the expectation of her defeat in Tuesday's vote in Strasbourg, Mrs. Lalumiere, of France, said she was running "to denounce a selection procedure that is almost anti-democratic." She is a member of the Radical group.

Her campaign has caught fire among smaller political groups in the Parliament that have long chafed under the control of the two major party blocs, the Christian Democrats and Socialists, which trade the presidency between themselves, as well as legislators who resent that some of the biggest decisions are made outside the chamber itself by Europe's leaders.

"The Parliament should elect its president, not select its president," said Gijs de Vries, the Dutch president of the Liberal group, the third-largest political bloc, which has given its support to Mrs. Lalumiere.

Protests notwithstanding, the Parliament was expected to brush the challenge aside and approve the Spanish conservative, Jose Maria Gil-Robles Gil-Delgado, to take over as its president from Klaus Haensch, a German Social Democrat.

The process is a textbook example of the way in which power is shared in Europe, relying on backroom deals that keep the peace between the Union's major countries and political parties but often give short shrift to the democratic ideals that the Union is supposed to champion.

Since 1989, the Socialists and the Christian Democrats have agreed to share the presidency between themselves, with each party holding the post for half of the Parliament's five-year term. While the arrangement has always rankled smaller political groups, the two parties have been able to impose their will because they control 390 of the Parliament's 626 seats.

More and more, critics view the arrangement as outdated because of the growing political role of the Parliament and its president, and widespread concerns about a lack of popular support for EU institutions and policies.

The Maastricht treaty on European Union has given Parliament the power of co-decision, alongside EU ministers, in many policy areas and provided for the Parliament's president to attend EU summit meetings, an opportunity that Mr. Haensch has used aggressively to promote the cause of European integration against a backlash of nationalist skepticism.

"It's become a much more political job than it used to be," Mr. de Vries said. "Parliament therefore should give itself the opportunity to select the individual best qualified to be the people's advocate."

One of three Christian Democrats seeking the post, Mr. Gil-Robles, was nominated by the party when his two rivals, Nicole Fontaine of France and Georgios Anastassopoulos of Greece, withdrew their candidacies on the eve of an internal party vote in November.

Critics say party leaders forced them to withdraw to maintain a 1994 agreement between Chancellor Helmut Kohl of Germany and Prime Minister Jose Maria Aznar, then Spain's opposition leader, to allow Spain to put forward the Christian Democratic candidate.

"I realized I didn't have a chance," Mr. Anastassopoulos said, explaining his decision to stand down for the party's nomination. "It's quite certain that there was an agreement that existed long before the election."

Germany and Spain dominate the Christian Democratic bloc in the Parliament because British, French and Italian conservatives were either routed in the 1994 elections or lost influence because of internal divisions. The designation of Mr. Gil-Robles promises to prolong what some members feel is an unhealthy dominance. Since 1989, the presidency has rotated exclusively between Spain and Germany.

"The game is sewn up between two countries," Mrs. Lalumiere said. "It is not right that 13 other countries watch the ball get passed around without getting a touch."

Russia Presses Belarus Over Unity

Yeltsin Suggests Twin Referendums and Joint Government

Compiled by Our Staff From Dispatches

MOSCOW — An ailing President Boris Yeltsin is urging his counterpart in Belarus to move faster toward possible unity between their two countries, a spokesman disclosed Monday.

Mr. Yeltsin went so far as to suggest holding a referendum in each country on union and possibly setting up a joint government, said the spokesman, Sergei Yastrzhembsky.

Mr. Yeltsin, who is hospitalized with double pneumonia, outlined a plan for unification "in some form or another" in a letter to President Alexander Lukashenko of Belarus, the spokesman said.

The plan calls for a joint budget, currency and tax system, for merging fuel and energy systems, and synchronizing economic reforms, he said.

Mr. Yastrzhembsky did not say when Mr. Yeltsin sent the letter to Mr. Lukashenko, a hard-liner who rues the 1991 collapse of the Soviet Union.

The two presidents signed a union treaty last April calling for closer political and economic links, but stipulating that Russia and Belarus would remain separate countries. The Parliaments of both countries ratified the pact.

The accord outraged Belarussian nationalists and provoked huge demonstrations.

Mr. Lukashenko responded by cracking down on the opposition in a series of moves condemned in the West. He has since pushed through a constitutional referendum that gives him sweeping powers.

Belarus lags behind other former Soviet republics on many fronts. Market reforms have barely started, and many observers doubt that Russia could shoulder the financial burden of a union with Belarus.

A top Kremlin official, speaking last month on condition of anonymity, said that the Russian leadership was trying to decide how to respond to Mr. Lukashenko's plan to hold a referendum in March on a possible union.

The official admitted that the economic cost of a merger with Belarus would be huge for Moscow, but added that immediate political and long-term economic advantages were also obvious.

Russia says that NATO's enlargement to take in former Soviet bloc countries would threaten its security and create new divisions in Europe. The dispute appears to have been a decisive factor in Moscow's move to discuss a possible merger openly.

Interfax news agency quoted Sergei Shakhrai, deputy head of the Kremlin administration, as saying Monday that unification could be the best response to the North Atlantic Treaty Organization's plans to expand eastward.

(AP, Reuters)

■ Special Status Suspended

The 40-nation Council of Europe decided Monday to suspend Belarus's special guest status, Reuters reported from Strasbourg.

Leni Fischer, president of the Council's parliamentary assembly, said the assembly's bureau had declared that Belarus's new constitution did not respect minimum democratic standards.

Yeltsin's Hospital Stay Extended

The Associated Press

MOSCOW — President Boris Yeltsin probably will not be leaving the hospital for at least the next two days, his spokesman said Monday.

The Russian leader remained laid up for a sixth day Monday with double pneumonia, and his spokesman, Sergei Yastrzhembsky, said he would not be checking out until he had made a full recovery.

"There is no indication that President Yeltsin will be discharged tomorrow or the day after tomorrow," Mr. Yastrzhembsky said, urging the news media not to be "too optimistic" about the president's release date.

Despite his illness, Mr. Yeltsin has been feeling well enough to do paperwork in his suite in Moscow's Central Clinical Hospital.

Mr. Yeltsin's wife Naina, who is in the same hospital with the flu, visited her husband along with other family members Sunday night, Mr. Yastrzhembsky said.

Yuri Cortez/Reuters

A U.S. envoy, Carey Cavanaugh, watching Rauf Denktash take pictures of reporters Monday in Nicosia.

Cyprus Crisis Defused, U.S. Aide Says

Compiled by Our Staff From Dispatches

NICOSIA — A U.S. envoy said Monday that there was no crisis in Cyprus because its government had assured him that it would not bring any part of a new anti-aircraft missile system to the divided island for at least 16 months.

"I believe that should effectively defuse this as a crisis issue for Cyprus," the U.S. State Department official, Carey Cavanaugh, said after an hourlong meeting with President Glavkos Klerides on Monday morning.

Turkey, which has occupied the northern third of the island since 1974, threatened military action several times last week to stop the deployment of the S-300 missiles. The Cypriot government said it would acquire them from Russia.

Mr. Cavanaugh, director of the State Department's Southern European Affairs Department, made the comments before traveling north of the cease-fire line dividing the island for talks with Rauf Denktash, the leader of the breakaway Turkish Cypriot republic.

Mr. Cavanaugh also reiterated U.S. warnings against Turkey. Ankara had threatened to take both political and military action if the anti-aircraft missiles, capable of striking targets in Turkish air space, were deployed.

"We find intolerable any military response to that decision," Mr. Cavanaugh said, adding that he would lay out proposals for a peaceful resolution to the island's division.

The Cypriot government spokesman, Yiannakis Cassoulides, said his country was expecting progress in the peace talks over the next 16 months, adding that Mr. Klerides had reversed a previous decision and agreed to study a U.S. proposal banning military flights over the island.

(Reuters, AFP)

■ Earthquake Shakes Buildings on Cyprus

Geologists said that an earthquake measuring 5.8 on the Richter scale hit Cyprus at noon Monday, shaking tall buildings, Reuters reported. There were no immediate reports of casualties or damage from the quake, which was felt as far away as Tel Aviv on the Israeli coast.

BRIEFLY EUROPE

Resolution of NATO Dispute?

WASHINGTON — A dispute between the United States and France over the southern command of NATO will likely be resolved before a NATO summit meeting in July with U.S. officers holding the key post for the foreseeable future, the U.S. NATO commander said Monday.

But General George Joulwan did not rule out the possibility of a European officer in charge of the Naples-based command at some point in the future.

Asked if he envisioned a European ever leading the NATO southern command, General Joulwan said: "Ever is a long time. I think for the foreseeable future we'll probably see an American there."

France has demanded that the North Atlantic Treaty Organization's regional commands, including the southern command, be rotated among European officers. Washington insists that the southern command stay under U.S. control because Naples is headquarters of the U.S. 6th Fleet and is vital to American strategic interests in the Mediterranean and the Middle East.

The dispute has held up the full return of France to NATO's military structure as well as agreement on an overhaul of the alliance's command structure. The alliance hopes to accomplish both of these objectives at the NATO summit meeting in Madrid this summer.

"I would hope that at the political level that could be worked out," General Joulwan said. "I think we can work it out at the military-to-military level. But it's at the political level right now, and I am confident all of that will be resolved before the summit." *(AFP)*

Germany Tightens Visa Rules

BONN — Germany said Monday that it was tightening visa rules for foreign children. The measure means that tens of thousands of children born here to Turkish and Yugoslav parents will have to apply for residence permits.

Until now, Bonn had waived visa requirements for children under 16 from Turkey, Morocco, Tunisia and the former Yugoslavia to allow them to come for up to three months to visit relatives among the more than 8 million foreign guest workers in Germany.

But Interior Minister Manfred Kanther said in a statement that such trips were being abused by parents to try to get their children into Germany permanently in the hope of following on themselves.

While only 198 children entered Germany alone under the exemption in 1994, last year the number rose to 2,068.

Mr. Kanther said the latest restrictions would bring Germany in line with the European Union's Schengen agreement, which dispenses with border formalities between a number of member states. *(Reuters)*

Activists Fail to Halt Nuclear Cargo

CHERBOURG, France — A ship carrying 20 tons of highly radioactive nuclear waste reprocessed in France left for Japan early Monday despite protests by environmentalists.

In a final protest, activists from the environmental group Greenpeace spray-painted white radioactive symbols on the pavement and put up signs reading, "No more reprocessing" and "France is not a nuclear garbage can."

But the British ship Pacific Teal left port, its two-month itinerary to be announced Tuesday by the French state-owned nuclear processing company Cogema and Japanese electric power companies that produced the waste.

Cogema officials said the double-hulled ship was safe. But New Zealand demanded to know the route, and whether the ship would pass through the country's 200-mile (320-kilometer) exclusive economic zone. *(AP)*

Militants Claim Attack in Corsica

AJACCIO, Corsica — About 20 heavily armed militants in combat gear forced out the occupants of a seaside Corsican resort and then blew it up, almost totally destroying the villas and bungalows, the French police said Monday.

There were no injuries in the attack Sunday night, which was the first claimed by the National Front for the Liberation of Corsica.

In a communiqué, the group said: "The target of our group today symbolizes what Corsica rejects: Tourist establishments serve as a screen for laundering dirty money."

The group is distinct from other factions of militants who also seek independence for the French Mediterranean island, such as the Front's "historic wing" or its "regular wing." *(AP)*

Mitterrand Death Photo Brings Fine on Magazine

The Associated Press

PARIS — A court on Monday fined the director of the magazine Paris-Match 100,000 francs for publishing a photo of former President Francois Mitterrand on his deathbed.

Roger Therond, convicted of invasion of privacy, also was ordered to pay a symbolic 1 franc in damages to each member of the Mitterrand family. Symbolic fines are common in such cases in France.

The photo was published Jan. 25, 1996, more than two weeks after Mr. Mitterrand's death on Jan. 8 at the age of 79. The fine amounted to $18,800.

The photo showed the deceased former president clothed in a dark suit on a bed in the Paris apartment that served as his office after ending his term in May. It caused a sensation, and led to queries about how such a snapshot could have been taken.

Police quickly resolved the mystery. The culprit, they said, was "a key person in the family circle" who cashed in on the relationship by selling the picture for 485,000 francs.

Mr. Mitterrand, a Socialist, had suffered from prostate cancer throughout his 14-year presidency, it was revealed after his death. He had announced he suffered from prostate cancer only in 1992.

He died about eight months after his second term ended. Jacques Chirac, a conservative, was elected.

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INTERNATIONAL

Garbage Smuggler Caught Up in the Bad Odor of U.S.-Chinese Ties

By Seth Faison
New York Times Service

SHANGHAI — In a Chinese courtroom here Monday, a U.S. businessman was found guilty of smuggling contraband — California garbage.

The case, it seems fair to say, was somewhat different from the day's other legal matters in Shanghai No. 1 People's Intermediate Court. And not just because of the pungent nature of the illicit goods.

In the complex web of China-U.S. relations, this case is a single thread that, while looking insignificant by itself, is actually tied to a number of others. U.S. officials describe the businessman in this case, William Ping Chen, as a minor miscreant caught between two major diplomatic powers. Mr. Chen had the misfortune of getting apprehended last June, just when the United States and China were engaged in a high-stakes negotiation over intellectual property.

Now, at least, he will be free. In the Shanghai courtroom Monday, Mr. Chen, 56, was fined $60,000 and ordered expelled from China. He was formally sentenced to 10 years in prison, though his expulsion makes that term irrelevant.

Mr. Chen, China-born and now a U.S. citizen, was found guilty of shipping 238 tons of garbage into China from California on five occasions between July and December 1995, deliberately concealing the contents in 16 containers to try to evade detection by Chinese Customs. According to the Xinhua news agency, Mr. Chen was a smuggler, even if his contraband was low-grade.

"William Chen ignored warnings from the Shanghai Environmental Protection Department and defied objections from employees of his company's Chinese partner," the news agency reported. His actions, the agency said, "caused serious damage to Shanghai's environment."

The illegal dumping of garbage from overseas has gone on here for years. With a domestic paper shortage, Chinese companies import millions of dollars of waste paper each year, mainly from the United States, to be recycled.

As a low-priority shipment, waste paper has been prone to shoddy business practices from agents, apparently including Mr. Chen, who bring in containers marked as recyclable paper but actually full of trash, sometimes including medical waste or scrap metal or worse.

Used diapers even made their way into one shipment last year, Chinese newspapers reported, creating a stench so bad that it made the load difficult for officials to even approach, much less open and inspect.

Last spring, China's media began reporting the problem widely and uniformly, suggesting that China's leadership had decided it was the right time to publicize the issue. "Foreign garbage" became a nationalist rallying cry, directed against what was perceived to be American arrogance and disrespect for China, even though it was not sanctioned by the U.S. government, but rather the work of a handful of unscrupulous agents like Mr. Chen.

At the time, U.S. trade officials were threatening to impose punitive sanctions for what they described as China's failure to comply with an agreement on how to fight piracy of music, movies and computer software. The timing of the anti-Americanism that permeated China's media, U.S. officials said at the time, could not have been coincidental.

With a June 17 deadline looming, Chinese authorities apprehended Mr. Chen on June 5. He has been in custody even since. Formally sentencing Mr. Chen to 10 years offers a punishment that sounds harsh to Chinese eager to see a trash importer punished. At the same time, by expelling him, it effectively frees him, ensuring that his case will not affect the current warming of U.S.-China relations.

It was not immediately clear when Mr. Chen would be deported. The last time a U.S. citizen was sentenced in a Chinese court involved Harry Wu, the human rights activist whose detention became a sticky diplomatic issue. In August 1995, when Mr. Wu was convicted of spying, he was expelled within hours.

A U.S. consular official, Richard Adams, attended Monday's court session, but would not discuss it afterward.

More 'Movement' Needed In Hebron Negotiations, Washington Cautions

Compiled by Our Staff From Dispatches

WASHINGTON — Israel and the Palestinians need to make "additional movement" before they can strike a deal on the West Bank town of Hebron, the U.S. State Department said Monday.

"There is no deal yet, and there remains the need for additional movement and additional work by both the Israelis and Palestinians before there can be a deal," said the department spokesman, Nicholas Burns.

Mr. Burns said, however, that thanks to the weekend intervention of King Hussein of Jordan "a lot of progress" had been made on non-Hebron issues tied to an agreement.

The White House spokesman, Michael McCurry, also warned against "exuberant degrees of optimism," adding, "This is a process that requires hard work."

Palestinian and U.S. negotiators were forced to suspend their talks briefly when they evacuated from a Jerusalem hotel under heavy security Monday and a bomb squad and sniffer dogs were brought in, witnesses said.

Israeli television said information was received that a bomb had been planted at the hotel. Witnesses said the Israeli team remained in the meeting room on Laromme Hotel's eighth floor while the other negotiators were whisked away.

An Israeli transfer of 80 percent of Hebron has seemed within reach many times in recent months, but concerns about the safety of the West Bank town's 400 Jews and 100,000 Arabs, along with other issues, have delayed an agreement.

Mediation on Sunday by King Hussein removed a major hurdle to an agreement. Under the compromise proposed by both Egypt and Jordan, Israel will complete three withdrawals from other, mostly rural occupied West Bank areas by mid-1998. The Palestinians have been reluctant to sign an accord without a commitment from Israel to carry out the additional West Bank pullbacks agreed in previous peace deals.

Despite the Jordanian intervention, Mahmoud Abbas, a senior Palestinian negotiator, said that "some important problems" on a Hebron agreement remained. He added, however, that "we hope we can conclude tonight and if we do, the summit and initialing will take place" Tuesday.

News of an imminent agreement angered members of Mr. Netanyahu's rightist cabinet and Jewish settler leaders, who want to hold on to the lands occupied since 1967.

In a related matter, the U.S. Middle East envoy in the talks, Dennis Ross, has been asked to stay on in the second Clinton administration that starts next week, Secretary of State Warren Christopher said Monday during a speech at the Conference of Presidents of Major Jewish Organizations in Washington.

Mr. Christopher's remarks did not make clear whether Mr. Ross would fulfill exactly the same role in the new administration, or for how long he would stay on. *(Reuters, AP)*

David Silverman/Reuters

A Palestinian negotiator, Saeb Erekat, right, talking Monday with the U.S. envoy for the Mideast, Dennis Ross.

14 Algerians Are Massacred By Extremists

The Associated Press

ALGIERS — An armed group attacked a village south of the capital overnight, killing 14 people by slitting their throats and sticking some of their heads on stakes, witnesses said Monday.

The attack, later confirmed by security forces, continued a wave of terror surrounding the fifth anniversary last Saturday of a military-led coup that scrapped elections and prompted a Muslim insurgency.

The armed group descended on the village of T'Binet, near the highway linking Algiers to the city of Blida, about 50 kilometers (30 miles) south of the capital.

T'Binet, protected by volunteers organized in state-sponsored "self-defense groups," was the latest village attacked by militants seeking to undermine the groups.

About 10 men claiming to be members of the fundamentalists Armed Islamic Group cut the heads off their victims and mutilated their bodies, said witnesses speaking on condition of anonymity.

Car bombings around the capital and massacres in rural areas have left about 330 dead in the last two months, despite assertions by the government of President Lamine Zeroual that the violence was only "residual terrorism."

More than 60,000 people have died since the government canceled the elections in January 1992 and banned the Islamic Salvation Front, which had been poised to win the vote. The Front aimed to establish a state based on Islamic law.

BLAST: *Letter Bomb Wounds 2 at Arab Newspaper in London*

Continued from Page 1

exploded Monday set off an alarm in the scanner, Mr. Khazen said, prompting one of two security guards to retrieve it. At that point it exploded in one face of one of the guards, injuring his eyes and abdomen, shortly after 9 A.M.

Police sources said they believed the letter bomb had not detonated properly and had it done so, it could have been fatal. The guard underwent surgery Monday afternoon. The second guard was treated for shock.

The anti-terrorist squad of the London police force evacuated the building, sealed off the area and began looking for more suspicious letters or parcels. They found four, and explosions could be heard as, one by one, a robot blew them up.

On Jan. 2, police defused five letter bombs sent to the Washington bureau of the paper. Three other devices were sent to the federal prison in Leavenworth, Kansas, which houses, among others, Mohammed Salameh, a Jordanian of Palestinian descent who was convicted along with eight other people in the February 1993 bombing of the World Trade Center in New York.

While the newspaper reported last week that it had received a phone call blaming Libya for the attack in Washington, Mr. Khazen said he had discounted this claim. "We don't know who's behind it," he said.

COURT: *Justices Seek Middle Path in Former Arkansas Employee's Sex Lawsuit Against President Clinton*

Continued from Page 1

tion of powers doctrine stops judges from requiring a court appearance by a sitting president and essentially dictating his schedule. It would be "unprecedented" to subject the president to a trial in any court in the country, Mr. Bennett said.

Joining in on the president's side was the government's top lawyer at the court, Solicitor General Walter Dellinger, who said, "Litigation can be all consuming and all absorbing" and argued that any phase of a legal proceeding, including the interviewing of third-party witnesses before a trial would begin, would impinge on the president's time and energy.

Gilbert Davis, representing Ms. Jones, told the justices that while a president can be protected from lawsuit for his official actions — as the court so ruled in 1982 — he should not get immunity for his personal actions. Mr. Davis said a trial judge should postpone a trial only when a president demonstrates it would imminently interfere with the nation's business. Any fixed delay, he argued, would hurt Ms. Jones's case and effectively deny her justice.

A decision by the high court is expected before it recesses this summer. No matter how it rules, the basic litigation between Ms. Jones and Mr. Clinton is at such an early stage that no trial is likely to begin soon on her allegations.

One looming question is whether, even if a trial itself is postponed, lawyers would begin the process of interviewing witnesses and gathering documents related to Ms. Jones's claim.

Perhaps because this "discovery" phase could focus new public attention on previously reported comments from Arkansas troopers who said they helped arrange assignations for Mr. Clinton and could consume as much time of his time and energy as a trial, the president does not want discovery to begin while he is in the White House.

On Monday, the justices were divided about their concerns over the discovery process. Chief Justice William Rehnquist noted that people's memories could fade over time, and documents could be lost in intervening years. But Justice Ruth Bader Ginsburg observed that the discovery process itself is draining.

Mr. Bennett said that if several witnesses were allowed to be interviewed and their comments became public, the president would naturally be compelled to respond and defend himself.

Ms. Jones filed her charges in 1994, and when Mr. Clinton moved to dismiss them, a federal district court ruled that the president would not have to defend the case while in office, but that lawyers on both sides could begin interviewing witnesses. But in early 1996, the 8th U.S. Circuit Court of Appeals ruled for Ms. Jones, declaring that all phases of the lawsuit could proceed.

Hearing the president's appeal Monday, the justices were skeptical that the Constitution would provide broad immunity from all phases of a proceeding and in all types of cases. But they were sympathetic to assertions from Mr. Clinton's lawyer and the U.S. solicitor general that a personal lawsuit would distract the president from his official duties.

Some of the justices suggested that the best outcome might be to leave it to a trial judge, who, upon hearing the president's grounds for postponement and details of the imminent demands on his time, could delay the case for months or years.

Justice Antonin Scalia, who dominated much of the give-and-take, said he did not find it "terribly persuasive" that the president was so busy he could not devote time to a personal lawsuit. He noted that the president could delegate duties and remarked that he had seen presidents "riding horseback, chopping wood" and "playing golf."

"This notion that he doesn't have a minute to spare isn't credible," he said.

U.S. Warns Pretoria Against Arming Syria

Reuters

WASHINGTON — The United States warned Monday that it might be forced to end aid to South Africa if Pretoria followed through with reported plans to sell a tank-firing control system to Syria.

"It's a matter of very serious concern," the State Department spokesman said.

According to press reports in South Africa, the deputy president there, Thebo Mbeki, is studying whether the 3 billion rand ($650 million) sale would violate the U.S. Counterterrorism Act, which requires Washington to sanction countries that provide lethal military equipment to states that sponsor terrorism. Syria is on Washington's terrorism list.

Sheldon Leonard, Actor and Producer, Dies

Long Run in Hollywood Movies in 1940s Gave Way to a Career in TV in 1960s

New York Times Service

NEW YORK — Sheldon Leonard, 89, whose performances as snarling underworld figures in scores of Hollywood movies in the 1940s gave way to an equally prolific career producing and directing some of the most popular shows on television in the 1960s, died Friday at his home in Beverly Hills, California.

Mr. Leonard's long, varied career pegged him as a Renaissance man of the entertainment industry, moving fluidly between theater and film, radio and television, acting and writing, directing and producing.

His Brooklyn accent, imposing six-foot (1.83 meter) frame and sinister face, which was sometimes decorated with a cigar, were indelible stamps on more than 150 movies, beginning with "The Thin Man" and including "Guys and Dolls," "Pocketful of Miracles" and "It's a Wonderful Life," in which he played the bartender who ejected James Stewart.

It was in the television industry that Mr. Leonard — a man renowned for his unshakable confidence in his own abilities and his unassailable instincts about what viewers wanted — found his greatest wealth and made his greatest impact.

He appreciated early on the ascendancy of television as a popular art form.

"It occupies a sizable portion of the waking time of the majority of the people in this country," Mr. Leonard told a reporter in 1965, when three shows he helped create — "The Dick Van Dyke Show," "The Andy Griffith Show" and "Gomer Pyle, U.S.M.C." — were among the 10 with the highest Nielsen ratings.

He won two Emmy Awards, in 1957 and 1961, for his directing work on "The Danny Thomas Show" and a third Emmy in 1970 for producing "My World and Welcome to It," a situation comedy based loosely on the writings of James Thurber.

Jean-Edern Hallier, 60, Author And Provocative TV Interviewer

DEAUVILLE, France (AP) — Jean-Edern Hallier, 60, a provocative figure on France's intellectual scene for decades, died Sunday of a cerebral hemorrhage while riding his bicycle here, the police said.

Mr. Hallier was the author of several acclaimed novels, but was perhaps best known for his television talk shows, "Jean-Edern's Club" and "West of Edern," in which he interviewed authors and other intellectuals. Most of all, he was known as a provocative personality, who did not hesitate on television to throw books he did not like or tear them up. At first an admirer of President François Mitterrand, he became a critic, writing a book in 1992 called "L'Honneur Perdu de Francois Mitterrand" (The Lost Honor of Francois Mitterrand). Mr. Hallier said he was one of those who, in the 1980s, was wiretapped by Mr. Mitterrand's anti-terrorist team.

INFORMERS: *Catholics vs. Violence*

Continued from Page 1

them load cars with mortars and other weapons.

Some Catholics, the resident said, have begun not only to inform on the Provies, as they are called, but to upbraid them in street encounters, saying things like "I thought Gerry Adams was working for peace," referring to the president of Sinn Fein, the IRA political wing.

The increase in informing resulted in an official IRA statement two days ago in a weekly newspaper, Anderstown News, published in a Catholic area.

It said: "Over the past number of weeks, the Belfast Brigade of the IRA has become aware that a number of people in the Belfast area have compromised operations and placed the lives of volunteers in danger. These individuals have informed the RUC of the presence in our area by phone even after our volunteers had made it clear to them who they represented. The Belfast Brigade will take action against anyone placing the lives of our volunteers in danger in this way."

GEORGIA: *Seeking a Western Identity*

Continued from Page 1

"In the past, we were absolutely connected with the Soviet Union in terms of raw materials and markets," said Zurab Zhvaniya, the speaker of the Georgian Parliament. "Russia is losing its position in Georgia as the traditional dominator of our market. And Georgian dependence on Russia is drastically decreasing."

Political and economic independence here is measured in degrees. In a nation sitting between Muslim countries to its south and east, its northern Russian neighbor and the beckoning trade routes through the Black Sea to the capitalist West, foreign policy has long been a balancing act.

It has not been easy. Since independence in 1991, Georgia has been convulsed by civil war and challenged by secessionists in Abkhazia.

The economy fell into depression. The average monthly wage in the private sector is only about $40, according to government estimates, and government workers earn an average of $16 a month. A monthly pension is enough to buy only two small portions of meat.

The government rations electricity. Stranded trolleys line the streets during power failures and elevators abruptly stop. Seemingly every Georgian office is equipped with flashlights and kerosene stoves; some are lighted by candles. Virtually no traffic lights work. Truck drivers huddle at night by bonfires of old tires.

Still, with the backing of the International Monetary Fund, inflation has been reduced from 62 percent a month in 1994 to less than 2 percent a month now. A new currency has been introduced. The streets are safer. And the weakened economy is actually beginning to grow at a rate of more than 10 percent, making Georgia one of the few former Soviet republics experiencing growth.

But while Georgia sees its economic future as a trading crossroads and likes to think of itself as a kind of junior member of the capitalist West, geography puts it in Russia's sphere of influence.

The West may have the money. But the reluctance of the United States and other Western countries to become entangled in the volatile Caucasus region has forced Georgia to turn to the Russians for security.

After Western nations made it clear they had no interest in assembling a UN peacekeeping force for Abkhazia, Mr. Shevardnadze promised Russia five military bases on its territory in return for its aid in helping Tbilisi regain control over Abkhazia and equipping the tiny Georgian Army. Russia already has about 8,000 troops in Georgia, and the agreement would make formal the status of the force, allow Russia to expand its military presence and give Russia additional leeway under the East-West accord limiting conventional forces in Europe.

For many Georgians there was a bitter irony in the agreement, since it was clandestine Russian support that enabled the pro-Russia Abkhaz rebels to take their territory, in Russian eyes a strategically significant sliver on the Black Sea.

"Russia has a key to Abkhazia," Mr. Shevardnadze said. "If it uses this key correctly, then it will get the bases." But if Georgian territorial integrity is not restored, he said pointedly, "the agreement on Russian military bases will not be ratified" by the Parliament.

Georgia also agreed to let more than 10,000 Russian border guards patrol the boundary with Turkey and the Black Sea coast. Georgia's meager force of 5,000 border troops protects the other frontiers.

But while the Russians rushed to fill the security vacuum, Georgian officials persistently say the Russians have been more hindrance than help, and they say that little progress has been made toward resettling the 300,000 refugees forced out of Abkhazia by the fighting.

Georgian officials say that Russian border guards are involved in taking bribes and, contrary to their agreement with Tbilisi, performing customs checks, hampering Georgia's efforts to expand its trade with Turkey and Europe.

GERMANY: *With High Labor Costs at Home, Companies Are Moving Their Jobs East*

Continued from Page 1

early last year when he told the unions that his measures were indispensable to help Germany adapt to the challenge of world competition. Allies of Mr. Kohl called on industry and unions last weekend to resume the talks, which were aimed at helping the government achieve its goal of attacking unemployment.

The greatest problem lies in how few domestic jobs are being created to offset the lure of cheaper labor next door in Poland, Hungary and the Czech Republic, said Gernot Nerb, an economist at Salomon Brothers Inc.

German insolvencies rose 16 percent in 1996, to a record high, recent data show. Many economists expect insolvencies to rise 10 percent more this year.

Direct investment abroad by German companies has surged to a record in recent years, rising to 48 billion Deutsche marks ($30.4 billion) in 1995, the last year such figures are available, from 27 billion DM a year earlier.

Foreign companies, by contrast, pump only 10 billion DM each year into German-based subsidiaries, leaving Germany with a deficit of nearly 40 billion DM in business investment.

Geographic convenience played a strong role in drawing German dollars abroad, notably in the southern German state of Bavaria.

Flanked by Hungary and the Czech Republic, Bavarian entrepreneurs set up most of their foreign shops in those countries, the federation survey found.

Even in the new Eastern German states, those that set up foreign operations turned predominantly to Polish and Czech sites.

Apart from starkly lower wages, Central and East European countries have gained new appeal for German industry for other reasons, the federation said. Hungarian, Czech and Polish businesses have become surprisingly avid buyers of German exports, to such a degree that Germany now exports more to former East Bloc countries than it does to the United States.

Indeed, no other country enjoys as much trade with Central and Eastern Europe as Germany, according to the German central bank, which last year carried out its own study of Germany's economic ties to the East.

Because Germany's eastern neighbors "have become one of the most important growth markets for German exporters," the Bundesbank found that one-tenth of Germany's total direct investment abroad now flows to Central and Eastern Europe, where it is employed to open new ventures and take on new hires.

Germany's status in these countries is far greater than in other growth regions such as Southeast Asia, the Bundesbank wrote in a report.

INTERNATIONAL

Swiss Are Accused On Anti-Semitism

Gold Case Said to Increase Hate

Reuters

ZURICH — A Swiss Jewish leader said Monday that national anti-Semitism was on the rise, fueled by a former president's accusation that Jewish groups seeking compensation for wartime suffering were trying to "blackmail" the country.

Anti-Jewish feeling, long suppressed in Swiss society, is surfacing in letters and telephone calls to Jewish groups and virulent letters to newspapers, said Martin Rosenfeld, general secretary of the Swiss Jewish Federation.

He blamed the former president and present economics minister, Jean-Pascal Delamuraz, who Mr. Rosenfeld said made such sentiment respectable last month by dismissing Jewish groups' calls for quick compensation "extortion and blackmail."

"It had been quiet before," said Mr. Rosenfeld, whose organization is an umbrella group for the 30,000 or so Jews in Switzerland.

"There is clearly a connection," he continued. "Many feel justified by Delamuraz and also have the feeling that if a cabinet member is allowed to express himself this way, then the threshold of anti-Semitism has been lowered."

Most of the mail comes from older people who object to Jewish calls for compensation 50 years after a war that neutral, democratic Switzerland did its best to stay out of while collaborating in economics with the Germans.

The Swiss have been accused of profiting from dealings in Nazi gold and of having hoarded bank deposits of Jews who died in the Holocaust.

Many Swiss have rallied behind Mr. Delamuraz, whose comments were made as he finished a one-year term in the Swiss rotating presidency.

A recent survey showed less than a third of Swiss surveyed thought the government should distance itself from Mr. Delamuraz.

Another survey found that 80 percent of respondents did not "think" Mr. Delamuraz should resign.

Mr. Rosenfeld said many letter-writers were showing a misplaced sense of solidarity with Switzerland by defending Mr. Delamuraz, who has said he regrets that his comments may have offended Holocaust survivors and their families but has refused to apologize.

"It is not the case that the Swiss are especially anti-Semitic," Mr. Rosenfeld said. "There was always a latent anti-Semitism, but until now people did not dare to express it openly."

Leading newspapers have decried the development.

"When I hear Minister Delamuraz and his many friends, it sounds as if this were from the Middle Ages: The Jew who claims his basic rights is tiresome and 'extortionist,'" a commentator for the liberal Tages-Anzeiger wrote during the weekend.

■ Gold Sales Admitted

The Swiss National Bank admitted charges by a U.S. senator and the World Jewish Congress that Switzerland served Nazi interests during the war by reselling looted gold to Spain and Portugal, but insisted that the facts were already known, Agence France-Presse reported Monday from Geneva.

"The new accusations represent nothing new," said Gabriel Juri, a bank spokesman. Historians in the 1980s wrote about the matter in detail, he said.

"It concerns gold bought by Switzerland from Germany and resold to Portugal. If one omits the moral aspect, it's about a technical exchange: a purchase and a transport."

Senator Alfonse D'Amato, Republican of New York, and the World Jewish Congress made public Sunday documents dated 1945 and 1946 that they said proved the Swiss collaborated with the Nazis in laundering gold stolen by the Reichsbank from other European central banks.

One document said that between May 1943 and February 1994 the Swiss National Bank sent 280 trucks to Spain and Portugal carrying tons of gold deposited in Switzerland by the Nazis.

The documents were recently discovered in the U.S. National Archives, said Mr. D'Amato, who chairs the Senate Banking Committee's investigation of the role of Swiss banks and the Swiss government in the loss of assets of Holocaust victims.

Mr. Juri said he did not know the details of the documents, "but the position of the SNB was explained at length to the press in December."

Russia to Remove Georgia Uranium

By Michael R. Gordon
New York Times Service

MOSCOW — Responding to repeated American appeals, Russia indicated Monday that it would remove a cache of nuclear material from Georgia by March.

The supply of highly enriched uranium and spent fuel at a research reactor outside Tbilisi in the volatile Caucasus has been a major worry for American officials.

Fearful that it could fall into the hands of Iranian agents, arms dealers or terrorists intent on acquiring the ingredients for a nuclear bomb, the United States spent much of last year trying to convince the Russians to take it for safekeeping.

On Monday, Viktor Mikhailov, the politically powerful head of Russia's Ministry of Atomic Energy, issued an unusual public assurance that the transfer would be carried out in the next two months.

"During the past four months, we have been solving this question on what I would describe as the bureaucratic level," Mr. Mikhailov said. "We are preparing for this operation. I think we will be able to withdraw this fuel in February or March."

Mr. Mikhailov cautioned, however, that there were still some bureaucratic obstacles to overcome in Moscow.

"There must be an intergovernmental agreement," he said. "Dozens of ministries are involved. We must clear all these operations with them."

Mr. Mikhailov also provided details of the financial squeeze facing Russia's nuclear industry and announced that Moscow planned to cope by expanding nuclear exports.

The minister said that wage arrears in the nuclear industry had been reduced to 1.5 months from three to four months. The delay in paying wages was reduced, he said, by taking large loans from commercial banks at interest rates that reached 70 per cent a year and by increasing exports.

He said that Russia hoped to build nuclear plants in China and India, and planned to complete a plant in Iran. The Iranian project has drawn strong protests from U.S. officials, who say it will help Tehran's effort to develop nuclear weapons.

The minister added that 150 Russians specialists were already in Iran working on the project to build a nuclear reactor there. But he said that the project was being delayed by money issues in Tehran.

"Now some questions arose over cash flow: how the payments will be made, through what banks and so on," Mr. Mikhailov said. "Iran is being a little choosy."

Chad Police Kill Suspects

Reuters

N'DJAMENA, Chad — Police in Chad have shot and killed dozens of alleged offenders under a policy of summary execution introduced in November, according to Foreign Minister Saleh Kebzabo, who said the policy was justified because the courts systematically freed wrongdoers.

Mr. Kebzabo said there were no official figures for those executed so far, but he did not directly dispute reports by rights groups that scores of Chadians have already been executed by security forces, including 11 shot in public on New Year's Eve.

"The policy has worked," Mr. Kebzabo said.

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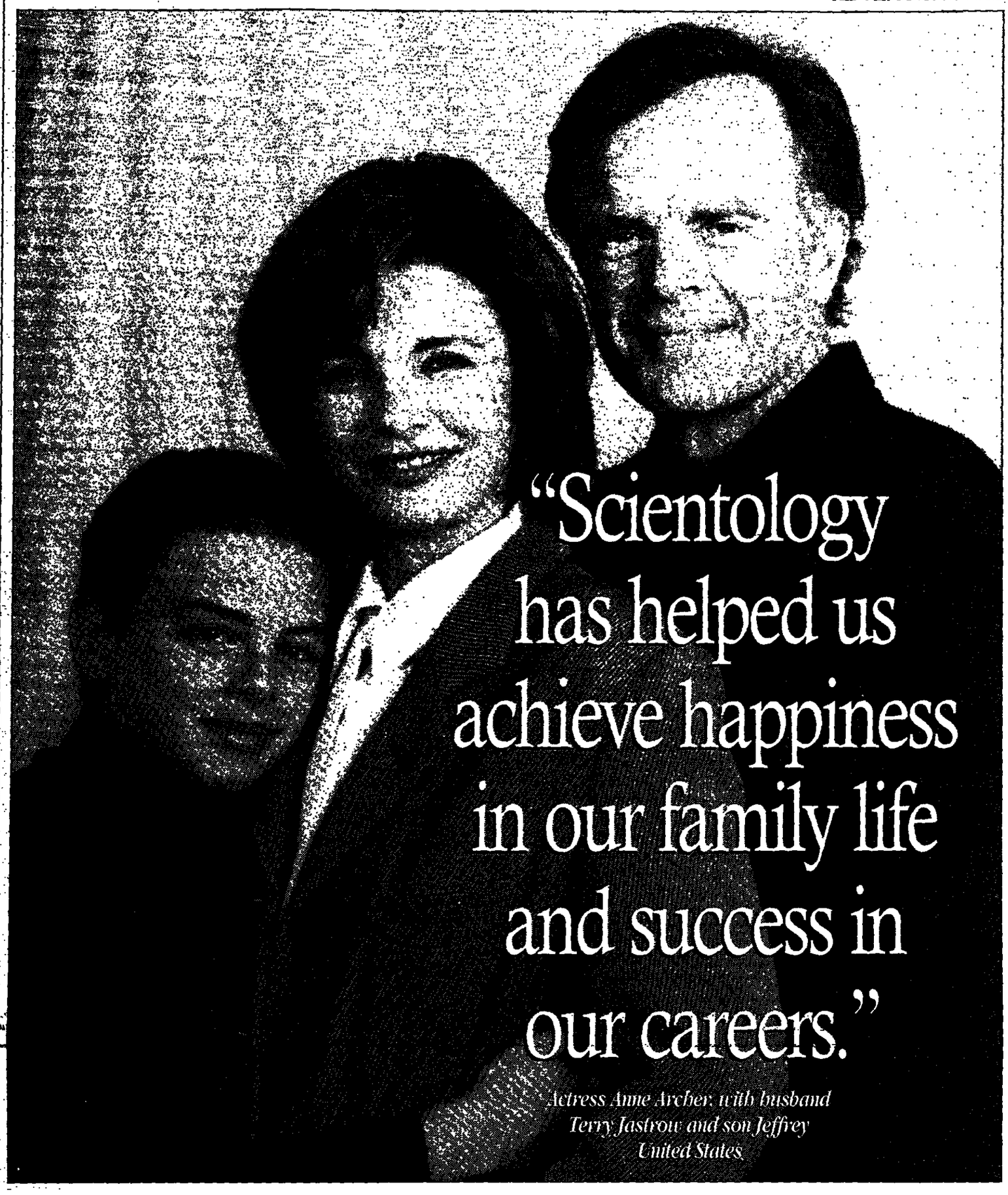

Anne Archer is one of the millions who have applied Scientology to bring about real and permanent improvement in their lives. For Anne, Scientology made life worthwhile and, in her own words, "made me feel the best of what I naturally am."

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Life was not always pleasant. Then I came to know Scientology, and things have been going on the right track ever since. I am able to be calm and in harmony with other people, and mutual respect is an ordinary occurrence in my life.

— Francesco Marmo
Policeman, Italy

Scientology helps me in many parts of my life, improving conditions. Scientology is not something to believe in — what is true is only what you observe for yourself. I have observed that it works, that it helps me and others to become more free and to take more responsibility for our fellow man.

— Beni Holenstein
Business manager, Switzerland

Before Scientology, I wondered if all there really was to life was to marry, have children, earn money, buy a car and a house, then die some day and never exist anymore. In Scientology, all my questions were answered. I evolved as a spiritual person. It is the most valuable thing that ever happened to me.

— Evelyne Kauf
Businesswoman, Austria

As a medical professional I am concerned with matters which deal with life. The knowledge about life which I have obtained from Scientology has been an incredible help to me. I have seen so many young doctors become hardened, disillusioned and lose compassion because of the suffering to which they are exposed. Being a Scientologist and knowing Scientology has allowed me to grow in compassion and understanding and has made me more effective in helping my patients, my children and others.

— Megan Shields
Physician, United States

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EDITORIALS/OPINION

Herald International Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Not Above the Law

Don't expect a thorough airing of Paula Jones's charges against Bill Clinton as the Supreme Court considers her case. There is to be no detailed discussion of the events alleged to have taken place five-plus years ago in a Little Rock hotel room. That scenario forms the basis of the sexual harassment suit at issue, but the question before the court is a preliminary and straightforward constitutional one: Can a sitting president be sued civilly for misconduct unrelated to his official duties and that occurred before he took office, or must any such trial be postponed until he leaves office?

Fortunately, there is no precedent for a suit of this kind against a U.S. president, sitting, aspiring or retired.

Mr. Clinton's lawyers have been at great pains to avoid this litigation, even to the extent of arguing, at one time, that as the commander in chief of the armed forces he was entitled to a moratorium on civil actions until his service was completed. But now that the election has been held, the tension in the White House has eased and the theory of the defense has become less complicated. It boils down to an assertion that the president — any president — is simply too busy to deal with civil suits, and that for the good of the nation any actions against him should be held in abeyance until he leaves office and has more time.

The lawyers warn of a future in which the leader of the free world is so entangled with depositions, testimony and cooling his heels in a courtroom corridor that he will not be able to handle a sudden foreign or domestic crisis or other important business.

That's not the way it works. Frivolous lawsuits, especially those filed against the president of the United States, can be disposed of quickly in the lower courts. Concessions can and have been made to accommodate the president's schedule.

This case in particular is an uncomplicated dispute that should not involve the chief executive in drawn-out depositions or much time in court. It's a simple question of believing her or believing him, not an antitrust matter that could go on for years.

Establishing a precedent protecting all presidents from lawsuits while in office would be unfair to plaintiffs. Memories fail over time. Witnesses die. Evidence gets lost or destroyed. In civil actions involving divorce and child custody, for example, lives are on hold, and children grow and change if court orders are postponed for four or eight years.

If Paula Jones has to wait until the next century for her day in court, justice, for her, will have been postponed to the point of denial. The president deserves respect and cooperation on scheduling from the courts. But, like every other citizen, he is not entitled to a four-year free pass.

—THE WASHINGTON POST.

Heavy and Light

Two research reports on politically sensitive issues last week — one on abortion and breast cancer, the other on Gulf War illnesses — offer a cogent reminder that scientific studies differ widely in credibility and authority. The abortion study, which largely disproved the notion that abortions cause breast cancer, was the most authoritative research yet on the issue. It surveyed a very large number of women and used a research design that virtually eliminated the main cause of bias in previous studies.

By contrast, the Gulf War illness study, which suggested that some veterans may have suffered neurological impairments from exposure to chemicals, was only preliminary and suggestive. It covered a very small group of veterans, and its results may have been distorted by selective participation.

The abortion study, performed in Denmark, should go a long way toward resolving an issue that has been clouded in controversy for more than a decade. As long ago as 1980, some scientists theorized that women who abort their pregnancies may be left with vulnerable breast cells that, deprived of hormonal changes in late pregnancy, are prone to becoming cancerous. But dozens of studies of this possibility showed conflicting results.

Unfortunately, virtually all these studies were marred by likely reporting bias because they relied on women to tell the truth about whether they had had an abortion. The studies typically compared the abortion histories of a group of women who had breast cancer with a group of comparable women who did not. The breast cancer victims, as subsequent research showed, were far more apt to admit that they had had an abortion, presumably because they wanted to give the doctor all relevant facts that might help in their treatment. The other women were less honest, presumably because they considered the abortion embarrassing.

The Danish study got around this inevitable bias by relying on official records rather than the testimony of the women. Abortion has been legal in Denmark since 1973, and mandatory registries are kept of births, cancer cases and abortions. The Danish researchers examined the records for 1.5 million women, of whom 280,000 had had abortions, some more than once. Over all, these women were no more likely to develop breast cancer than women who had never had an abortion.

The only uncertainty was a suggestion that women who had abortions in the second or third trimester did have an increased risk of breast cancer, but the number of women in this category was too small to warrant firm conclusions.

The Danish work has also been challenged on the ground that even the registry does not fully eliminate bias, because women with recent abortions have not had time to develop cancer, and very old women may have had abortions before the registry started.

Further research is needed. But for now, this study shows that women need not shun a first-trimester abortion for fear of developing breast cancer.

The other study, involving 249 Gulf War veterans, was more suggestive than authoritative. Researchers at the University of Texas Southwestern Medical Center surveyed veterans of a navy Seabees unit about their health, asked them about possible exposures to chemicals, and performed neurological tests on 23 ill veterans and 20 healthy controls. They found subtle differences in neurological function and concluded that some of the impairment may have been related to pesticides, chemical warfare agents or anti-chemical medications.

But the small size of this study and the possibility that only the sickest veterans participated undermines its authority. Research on multiple chemical exposures in the Gulf War is in the early stages and will require more comprehensive follow-up, perhaps comparable to the Danish abortion study.

—THE NEW YORK TIMES.

Other Comment

For the '90s, Not the '30s

"My mind-set is Munich; most of my generation's was Vietnam," U.S. Secretary of State-designate Madeleine Albright recently told a reporter. But a secretary of state — and an administration — guided by such 1930s interventionist ideas could well shipwreck U.S. foreign policy in the 1990s.

Fueled by a worldview logically incapable of establishing priorities for American action, they would heighten the odds of the United States plunging into an endless series of foreign trouble spots completely unrelated to its security or prosperity.

As indicated by the Munich analogy, Mrs. Albright and other traditional internationalists, whether left or right, believe that aggression and turmoil anywhere in the world eventually will endanger America itself.

Thus, despite the Cold War's end, the continuing need for deep and extensive U.S. involvement — including the use of military force — even in regions lacking strong militaries, strategic locations, major markets or resources for American business, or any of the attributes usually associated with the term "vital interests."

America's major treaty alliances are doing more lately to draw the United States into foreign conflicts than to protect it from aggressors.

The likely dangers of traditional internationalism are starting to outweigh any plausible benefits.

— Alan Tonelson, commenting in the Los Angeles Times.

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North Koreans Will Show They Aren't Robots

By Chuck Downs

WASHINGTON — The recent defection of a large family from North Korea has South Koreans wondering whether they are seeing the beginning of the end of the world's last Stalinist stronghold.

Kim Kyong Ho, 61, who had a stroke last year, led 15 relatives and a North Korean policeman across the Tumen River into China on Oct. 26. For 27 days they fled across 3,200 kilometers of unfamiliar Chinese landscape, relying on a network of Korean-Chinese to guide them toward Hong Kong.

Mr. Kim was among the large number (no reliable estimate exists) of Koreans dislocated by the Korean War. Distrusted by the totalitarian regime because of his southern roots, the family was moved to the northern border town of Hoeryong. The goal was to make it hard for them to establish ties with the South, but the family found ways to communicate with an American relative living in New York, Choe Yong-do, who contributed his life savings to facilitate their escape.

This escape sends interesting signals about political realities on the peninsula. If a family including five children and a pregnant woman can be led to freedom by a stroke victim, presumably anyone can get out of the North.

Analysts in Seoul acknowledge the dramatic aspects of this particular escape but are skeptical about what the group's exodus means as an indicator of North Korea's collapse. The number of refugees has increased this year to the highest postwar level, but it has fluctuated in the past, reaching a previous high in 1990 and then dropping.

Skeptics claim that this particular escape would not have been possible but for the generosity of a "relatively wealthy" American sponsor, the operator of an automated laundry in New York. They presume that China will not allow additional transits.

But the Korean-Chinese network is a strong one. Some 2 million Koreans live in China. Those who helped the group succeed seemed to be guided more by ethnic altruism than by greed.

The escaping 17 had financial backing, but that may not be as unusual as it sounds, and the amounts involved are not imposing. In the waning days of German communism, West Germany reportedly paid as much as $70,000 to facilitate the passage of individual Easterners; the business became known as "the human trade." The per capita amount paid by the Kim family's American relative was substantially less.

China could find opportunities in tacitly supporting orderly exits. A policy of leaving open avenues for freedom-seeking Northerners could win a modicum of appreciation in the international community of human rights advocates, something China sorely needs.

The ethnic Korean population is a hardworking and productive part of the Chinese population; its allegiance to Beijing would be enhanced by a sympathetic approach on refugees. And Chinese behavior on this issue can clearly enhance ties to South Korea.

A more troubling type of skepticism heard in the South is that the people of North Korea are "robots" or "automatons." This view holds that North Koreans have been brainwashed and are incapable of independent thought.

This theory is given substance by an argument that without a Nordpolitik similar to Willy Brandt's approach to East Germany, North Koreans have no understanding of the culture or advantages of life in the South. They will not, according to this view, seek freedom.

The situation in divided Korea has some similarities with that in formerly divided Germany. There were areas in East Germany that West German television broadcasts never reached. In the southeast, along the Polish border, one such area was referred to as the "Valley of the Clueless." But even there, news was conveyed by word of mouth, and when the opportunity came to vote for those who would reunify Germany, even the clueless registered their strong preference for freedom.

This should not come as a surprise to free people. A precept that underlies much of Western thought is that people will by nature seek freedom and strive for liberty. Even if the North Koreans fear departure from the constraints of the security apparatus that imprisons them, they deserve to be helped.

It may be that the harder a regime tries to suppress the truth, the greater the relative accuracy of news spread by word of mouth. Five million residents of South Korea were born in the North, more than 10 percent of the Republic's population. They have an interest in the welfare of Northern relatives. It is hard to believe that they cannot find ways to communicate with them.

To share the delusion of North Korean leaders that their people are servile devotees is to be unprepared for the events that unfold as the North collapses, for the onslaught of human migration that may accompany the regime's collapse, and for the intensity that may accompany the population's demand for political change.

The writer, associate director of Asian studies at the American Enterprise Institute, contributed this comment to The Washington Post.

Behind and Inside the Oval Office, Much Politics by Numbers

By Maureen Dowd

WASHINGTON — Dick Morris once said that every time Bill Clinton had a problem, he got a poll in his head. That, as it turns out, was a sad understatement. Every time Bill Clinton had a vacation, he got a poll in his head.

In 1995, worried that the Clintons' last vacation sailing with Jackie O. at Martha's Vineyard had not been suitably populist, Mr. Morris recommended that the president go on a mountain vacation with high-tech gear. A White House poll on "lifestyle clusters" had shown that swing voters liked camping, hiking and technology.

The president dutifully went camping and hiking in a national park, but was grumpy afterward. "That's the first vacation I've taken that didn't help me in the polls," he said irritably upon his return, according to Mr. Morris. "The first one. After all my other vacations, I've always risen a point or two. This vacation I didn't go up at all."

Dick Morris, guru, savior, weasel, has produced his book, "Behind the Oval Office." It is a story of passion and betrayal. But in this bodice ripper the bodice doesn't belong to the call girl who caused Mr. Morris's expulsion from paradise. Like all Washington love stories, the intimacy is between two men. The unholy tale of a president and pollster locked, like a couple of bookies, in an obsessive relationship about point spreads.

"Like the elusive Rochester in the life of Jane Eyre, Clinton would unpredictably, suddenly flit into and out of my life," Mr. Morris thrills.

The prose is panting. When Mr. Clinton's lips curled into a sneer, Mr. Morris's blood froze. Before the president remembered that he was alive in 1994, Mr. Morris writhed "in self-inflicted frustration." But then his "vibrating pager" went off. The president was calling for advice on Haiti.

Mr. Morris shivered. "My body was there, but my mind walked on a high plain somewhere else ... A fix, rushing, warming, stimulating, enticing, addicting ... I don't know anything about Haiti."

But they were united, and Mr. Clinton was once again looming over him "like a sequoia." Mr. Morris fussed over his ties before White House meetings. "Did this one smack of staid thinking? Did this one make me seem too arrogant?"

He even cherished the big guy's flaws. "Clinton has prominent bags under his eyes. I like them ... but most people don't agree." He said they found a makeup artist (an attractive one, so the president would sit still) who applied a substance that deflated the president's bags for an hour. No wonder his staff fretted about the length of his television speeches.

The book is a pathetic diary about two mercurial egomaniacs who spend all their time on makeover, reshaping Mr. Clinton's look, personality, politics and party to match the polls.

Mr. Clinton acts like a big baby, obsessing that he is not getting enough credit for things. And the baby's baby is Mr. Morris, obsessed by sibling rivalry as he competes with other White House aides for Mr. Clinton's attention.

So we have the spectacle of one childish man coaching another childish man on how to act more mature and paternal.

"You seem to care too much about what others think of you," he told the president. "That's not a father's way ... You don't look presidential in light-colored suits."

Mr. Morris says he focuses on issues. What he really means is that you can choose issues to project image. The consultant is excited that the president has provided "a virtually unlimited budget for polling and mall testing," and that the two see every issue through the prism of Mr. Clinton's popularity.

Mr. Morris's outrage at genocide is touching: "I began to see that the budget and Bosnia were the two keys to repairing the public's perception of the president's weakness."

His conscience is moved by starving children at home: "I told him flatly that a welfare veto would cost him the election."

Even discounting for Mr. Morris's grandiosity, the lesson of the book is that the presidency has been corrupted and even ruined by quantitative thinking. All those numbers in the Oval Office are a curse. The book demonstrates that polling has turned leaders into followers.

There will never be such a thing as greatness with a 3-to-5-point margin of error.

The New York Times.

Wrongs and Rights, and More Muckraking to Do

By William Safire

WASHINGTON — Amid all the accusations of ethical lapses and moral squalor, who and what can Americans believe in?

The Supreme Court hearing on a citizen's right to bring a civil case against a sitting president exposes the hypocrisy of feminists who were prepared to sacrifice the principle of sexual harassment on the altar of political favoritism.

Across the street, Congress is embroiled in the ethics of using illegal eavesdropping to besmear the defense against charges of ethical violations by the speaker of the House.

As if this wrong committed by Democrats in the cause of righting a wrong committed by the Republican speaker were not enough, the media are asking themselves: Was it wrong for some journalists to be intimidated by a White House counsel's "report" claiming that pursuit of Clinton scandals was a sinister plot by right-wing kooks?

And this is only the tip of the titanic ethical-moral-legal iceberg. Soon the independent counsel will present evidence of wrongdoing on Whitewater, Travelgate and the rape of privacy in the FBI's files. At the same time, Congress will hold hearings on the sale of influence to Asian business and political interests by a shameless presidential campaign team and Clinton legal defenders.

What are we to tell impressionable innocents of this march of feet of clay? Who can assure them that anybody has clean hands? They wonder: If the question-ducking president and the corner-cutting speaker and the eavesdropping ethicists and the self-hating media are all begrimed with guilt, where to turn for inspirational uplift?

Youthful idealists, you have come to the right space. Here we deal in eternal verities unsullied by pragmatism's shades of gray. In matters of morality, these are wrongs:

It is wrong to use power of position to extract sexual favors, just as it is wrong to make such a charge falsely.

Wrong to besmear and humiliate an accuser, and wrong for an accuser to denounce examination of her motive.

And wrong to give anyone, even a president, permanent immunity from the civil law, just as it is wrong to deny him respite from lawsuits while in office, and wrong to deny the collection of perishable evidence to be used when it is ordinary citizen against ordinary citizen.

In matters of ethics, these are wrongs:

It is wrong to use tax-exempt money to support political activity, and wrong to mislead investigators about it, although an unintended untruth is less wrong than a deliberate lie.

Wrong for government to enjoy the fruit of a poisoned tree, using a tape obtained by invaders of privacy to increase the punishment of an admitted wrongdoer, because unethical means do not serve ethical ends.

And wrong for a White House counsel to expend taxpayer dollars to sell gullible newsies a conspiracy theory about conspiracy theorists. It is wronger for a lawyer paid by the people to abuse the claim of "executive privilege" for thousands of documents, some of which turn out to show wrongdoing by presidential aides.

It is almost always wrong to break the law. Wrong to abuse the police power to make places for cronies; wrong to deceive bank examiners and federal agencies; wrong to call up a thousand FBI files for political snooping; wrong to turn a blind eye to the use of foreign funds in illegal campaign donations.

What's left to be right?

It is right for a people to have a rule of law that can — and in our time more often does — call the most powerful and arrogant to account.

It is right to have an imperfect, impatient, sometimes bamboozled press with the power to prod the amazingly effective system of checks and balances into doing its constitutional duty.

What, then, do we tell children, disillusioned by scandal all around, on the eve of the second inauguration of a Democratic president and a Republican Congress?

We tell them to thank their stars for the freedom to muckrake, and to look up from the necessary mutual muckraking now and then to marvel at democracy's celestial crown.

The New York Times.

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A Mild Chinese-Russian Affair

By Ralph A. Cossa

HONOLULU — Prime Minister Li Peng returned recently from a visit to Moscow proclaiming a Chinese-Russian "strategic partnership" that would "adjust the balance of world power" and "offset the influence of the United States." Some in America and elsewhere see this as cause for alarm.

But if China and Russia decide to get into bed with each other, the appropriate response is to wish both of them pleasant dreams, since each will surely feel compelled to sleep with one eye open.

It is not hard to discern the motivating factors behind this mooted partnership. Both China and Russia object to what Mr. Li describes as a "world dominated by one power." This mind-set incorrectly ascribes motives and capabilities to the United States that are at variance with America's declared foreign policy goals. It says volumes about how China and Russia, particularly the former, currently see the world.

For Russia, the partnership appears, at least in part, to be a reflection of Boris Yeltsin's continued frustration over his inability to get the West to pay serious attention to Moscow's concerns about the expansion of NATO. Thus the Kremlin may be trying to play a China card to get attention.

There are important economic considerations for Moscow as well, since part of the new arrangement is an agreement between central banks that will facilitate bilateral trade. Old enmities aside, Russia tends to see China today primarily as a source of much needed investment and hard currency, the latter to be provided in significant measure by purchase of advanced Russian weapons systems.

Beijing no doubt views its strategic partnership with Moscow as a counter to the U.S.-Japanese security alliance. The Chinese consistently argue (incorrectly) that the alliance is aimed against China as part of a containment strategy, and that the revitalization of U.S.-Japanese defense ties embodied in the April 1996 joint declaration by President Bill Clinton and Prime Minister Ryutaro Hashimoto portends Japanese remilitarization.

In fact, nothing would convince Japan more that China needs to be contained, or that Japan's military (less than one-tenth the size of China's) needs to be expanded, than a strategic partnership between Tokyo's two historic enemies, with which it has been trying to improve relations.

China and Russia probably realize the limits of their recently declared liaison. Even during the early days of the Cold War, neither a common ideology nor a common enemy could sustain their strategic partnership. Some Chinese security specialists privately caution that while relations with Moscow have improved markedly, it is only a matter of time before Russia regains its "big power mentality" and becomes a force to be reckoned with once more.

What China really seeks is a world with multiple power centers and an assurance that two of them, Beijing and Moscow, are not overshadowed by Washington. China's official Xinhua news agency hinted at this in its account of Mr. Li's visit to Moscow. "The world is moving toward multipolarization," it said, and "both Russia and China well deserve to be two important and independent poles in a multipolar world."

Leaders in Washington, Tokyo and elsewhere should have no trouble with this view, since they realize that the world already is multipolar, that China and Russia are important poles and will become even more important in future, and that cooperation among all the poles is essential to global stability and prosperity.

While balance of power practitioners in Beijing or Moscow may be trying to play a Russia or China card, the best they can hope for is a somewhat tentative marriage of convenience. A long-lasting true strategic partnership does not appear likely.

The writer is executive director of the Pacific Forum CSIS, a Honolulu-based nonprofit foreign policy research institute. He contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Russian Policy

LONDON — The *Times*, in a leader on the new Russian Foreign Minister, says: "On the whole, it is not probable that the appointment of a new Minister will exercise any very marked influence on Russian policy. It is far from likely that Count Muravieff will suddenly become a power in the affairs of Europe. By a long tradition dating back at least to the days of Alexander I, the Emperor of Russia is in reality his own Foreign Minister.

1922: A Crisis in Spain

MADRID — The resignation of the Maura Cabinet brought to a crisis the situation which has threatened to convulse Spain. For the past three years, especially since the Morocco expedition, the question of the supreme control of the military authorities has been paramount. Despite military protests, the Minister of War introduced a Royal Decree implying the dissolution of the juntas by ordering that the presidents of all officers' committees should be chosen by the Cabinet instead of elected by the officers themselves.

1947: 'Mercy Killings'

NUREMBERG — Documents claiming 30,000 victims by Nazi "mercy killings" in the first year of the war were introduced by the prosecution in the war crimes trial of twenty-three German doctors. Extermination of 120,000 persons by Hitler's personally-ordered euthanasia program was planned. The aged, and ailing or defective persons, were taken to a "euthanasia station," then put in a gas chamber or injected with lethal drugs. The court also indicted eighteen high-ranking Nazi SS officers, including Heinrich Himmler's chief henchman, on charges of crimes against humanity.

OPINION/LETTERS

Sewing Black Americans Into the Patchwork Quilt

By William Raspberry

"We must delight in each other, make each other's condition our own, rejoice together, mourn together and suffer together ... We must be knit together as one."
— John Winthrop, first governor of Massachusetts

WASHINGTON — Can we Americans "be knit together as one" — as distinct and as united as a patchwork quilt? Or is it more likely that we'll come unraveled, each group pulling from the others? Who are we?

These questions constitute one of the crucial issues facing us at the end of the 20th century, and they lie behind a fascinating effort on the part of the National Endowment for the Humanities: an attempt to launch a national conversation on American identity.

The idea goes back at least to 1993, when Chairman Sheldon Hackney proposed "a national conversation open to all Americans, a conversation in which all voices are heard and in which we grapple seriously with the meaning of American pluralism."

The difficulties such a conversation might entail were revealed the other night when a racially mixed audience of several hundred saw a film — "Talk to Me: Americans in Conversation" — commissioned by the endowment.

But the conversation that followed — much like the film — was more a collection of personal, often deeply moving, vignettes than a discussion of anything in particular.

Still the question intrigues. Can Americans be knit together? Much of the film suggests we can be. Americans of various origins talked with great feeling about their family origins in Sweden or Italy or Russia or Japan and how they now have been transmuted into an American race. Even American Indians and Hispanics acknowledged some sense of this transformation. But the black Americans (apart from the few among the experts discussing the film) seemed trapped in discussion of their problems.

I suspect this disjunction was more the fault of the filmmaker than anything else — like a school treating black history as a once-a-year addendum rather than as an integral part of American history. Anyway, when white people come at us to talk about pluralism, we naturally expect they want to hear about our problems, about how left out we feel.

We do feel left out. And many of us have come to see our outsiderness as permanent. That, all by itself, affects the conversation. I came of age during a period when Martin Luther King's dream of inclusion was the norm, when we still hoped that the country could somehow surmount race and become the America it wanted to believe it was destined to be.

I'm still there. But many, many of us are not — and for good reason. To keep hoping that America will rise above race is to keep being disappointed. Finally you stop applying for admission to the club that keeps telling you "no" and make yourself believe that you never wanted to join those snobs in the first place.

Should this fear of being left out — of falling among the discarded scraps that don't get sewn into the patchwork quilt — be part of the conversation? Can it be made part of the conversation in a way that doesn't risk painting blacks as moaners and crybabies who refuse to acknowledge the progress they've made?

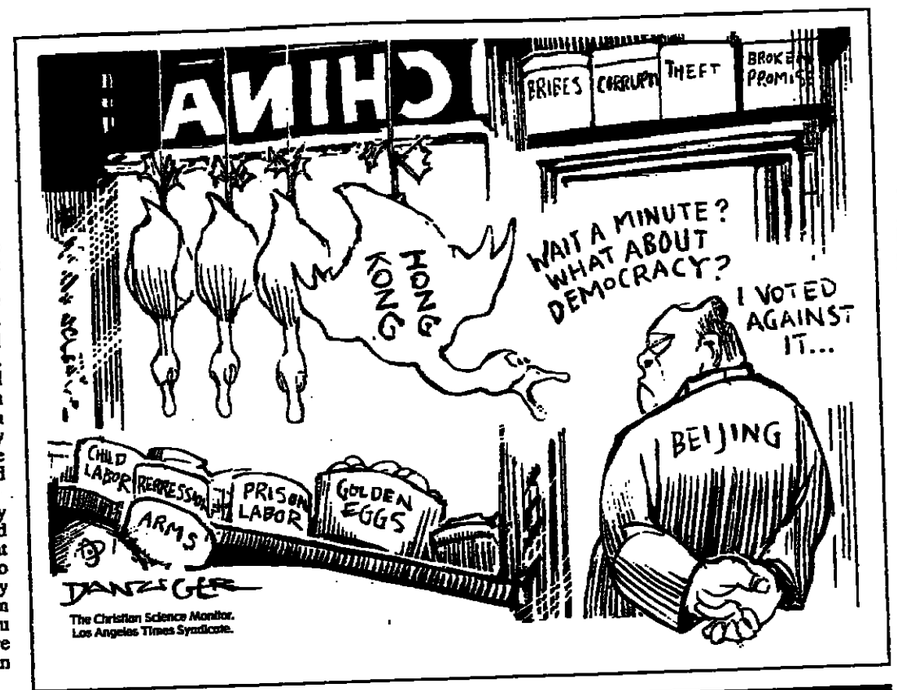
Can whites hear this part of the conversation — the ambivalence about our Americanism that is a part of black America's psyche? Can we move beyond our pain before white America recognizes the seriousness of that pain and accepts that it is still being inflicted?

Do our differing realities — our certain knowledge that neither John Winthrop's lovely words nor the "all men ... created equal" of the Declaration of Independence included us — keep us from working to make the words mean what they should have meant?

Can we learn to see ourselves (in Mr. Hackney's words) as "playing roles in a common story, in which we are all linked to each other across barriers of time and boundaries of race, in which we share the shame of our mistakes and the glory of our achievements, in which the meaning of America is to be found in the common ground of its aspirations of liberty and justice for all'"?

As the comedienne Joan Rivers might have put it: Can we talk?

The Washington Post.



LETTERS TO THE EDITOR

On the 'Letter' to Kohl

As an American citizen living and working in Germany, I was appalled by the "letter" *(Jan. 9)* to Helmut Kohl from Scientology supporters. The arrogance and self-righteousness of the advertisement's authors were surpassed only by their ignorance.

Although America has proclaimed that the Church of Scientology is a religion, the German government has decided otherwise. It is the right of Germany and any other democratic government to decide what constitutes a religion. In Germany, Scientology has been proclaimed a for-profit organization, and one with extremist beliefs.

The fact that Germany excludes from government or political office persons it deems extremists is a credit to the German people. The constitution of Germany was specifically designed after World War II to never again allow an extremist group of people to rise to a station of influence or power.

SUSAN ZUNINO.
Erlangen, Germany.

It is obvious that the American celebrities who signed the open letter to Chancellor Kohl lack both international understanding and an awareness of Germans' sensitivity to comparisons between present-day behavior and that under the Nazis. The Germans are always an easy target, and the letter was a cheap shot.

I especially would have expected Larry King, the CNN talk-show host, to be more enlightened.

JOHN SERNONE.
Monte Carlo.

Taleban Logic

Regarding "Taleban to Punish Any Failure to Pray" (Jan. 3):

The Taleban leaders now have decided to check whether the Afghan people are doing their five-times-daily prayers.

All citizens, including shopkeepers and government employees, are to stop working and go to the mosques at the call of the muezzin. Compliance is to be enforced by a government department.

Now, wait a minute. If government employees are to go the mosques, who will be left to check who is complying?

Or are we to believe that the members of this special department — "Promoting Good and Fighting Evil" — are so close to Allah that they need not pray?

RICHARD E. STEELE.
Nuuk, Greenland.

No Caliphate

Regarding "In Istanbul, Most Muslims Eagerly Await Santa" (Dec. 23):

It is not true that Istanbul was for centuries the seat of the Muslim Caliphate. The true caliphate was never in Istanbul. It was mostly in Baghdad, sometimes in Damascus.

HUGH McLEAN.
Berkeley, California.

Say It's Not So

George Will is writing about civility *("Turn That Noise Down, You Voluble Solipsists," Opinion, Jan. 3)* while Colman McCarthy is retiring as a columnist *("Yes, Peacemaking Can Be Taught," Opinion, Dec. 30).*

This seems the reverse of what should be. Surely there is some mistake.

AVEDON CAROL.
London.

Man's Winged Victory Has Transformed Life

By Diane Ackerman

ITHACA, New York — Perched in small gondolas beneath what looked like gigantic Christmas ornaments, three teams of hot-air balloonists recently set out to circle the world.

The grander the quest, the graver the danger.

Hitching a ride on 100-mile-per-hour jet streams, sometimes

MEANWHILE

climbing to 30,000 feet, balloonists must face storms, mechanical breakdowns and hostile armies below.

One of the last great aeronautical challenges, ballooning around the world ignites our sense of adventure. But it should also tantalize our psyches. Human flight is less than 100 years old, still marvelous and as puzzling as riding a pterodactyl, yet it has transformed our lives.

Now we can conduct romances over many time zones. Our relationships with our parents have changed. There's no need to divorce them when we marry someone from a far-flung state or country. Even our gene pool is changing because people from Australia, Puerto Rico or Japan can have children with people from California, Peru or China.

How we earn our living has changed, how we educate our young, how we vacation, how we choose our leaders, how we think of news, how we raise crops, conduct police work, give emergency aid. All because of our recent ability to fly. We no longer fight wars mainly with countries next door. Now it's abstract, global, predicated on aerial surveillance.

Flying has changed how we imagine our planet, which we have seen whole from space, so that even the farthest nations are ecological neighbors. And it has changed our ideas about time. When you can gird the Earth at 1,000 miles per hour, how can you endure the tardiness of a postman or a plumber?

Most of all, flying has changed our sense of our body, the personal space in which we live, now elastic and swift. I could be in Bombay for afternoon tea if I wished. My body isn't limited by its own weaknesses: it can rush through space.

One of the first words we think humans spoke, recorded in Indo-European as *pleu*, meant "it flies." What an ancient longing.

After all, we are vertical by heritage — our primate ancestors raced up into the trees for safety and strategy. Thousands of years later, settled and civilized, we still follow those basic instincts.

It's hard to teach an old dogma new tricks. So we build high-rises, towers and ziggurats, and we're utterly obsessed with hierarchies — who stands above whom and looks down on whom. We climb corporate ladders, we battle for the high ground.

I must say, I smile when I think of the 39-year-old psychiatrist heading this year's Swiss balloon team. What does he make of his devotion to soft, round objects 10 stories tall? But perhaps symbols are the furthest thing from his mind. The sheer marvel of flight — that we can make unwieldy metal soar with such delicacy — continues to astonish us all.

Like our ancient forebears, we too exclaim: It flies! Small wonder isolated tribesmen in Papua New Guinea greeted one charter pilot with bananas for his plane and a desire to know what sex it was.

The airplane's wheels were the first they had ever seen.

Like a shamanistic language, flight speaks in different idioms. We can blast rockets to the stars. We can race across the sky on fixed wings. Ballooning appeals because it is more languorous and low-tech; it's adventure in an antique mood.

What a treat to stroll through the veils of twilight, to float across the sky like a slowly forming thought. Flying an airplane, one usually travels the shortest distance between two points. Balloonists can dawdle, lollygag, cast their fate to the wind and become part of the ebb and flow of nature, part of the sky itself, held aloft like any bird, leaf or spore.

In that silent realm, far from the mischief and toil of society, all one hears is the urgent breathing of the wind and, now and then, an inspiring gasp of hot air.

The writer, a poet, essayist and naturalist, is the author most recently of "A Slender Thread: Rediscovering Hope at the Heart of Crisis." She contributed this comment to The New York Times.

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Ab. Abdalá Bucaram Ortiz
President of the Republic of Ecuador
1996 - 2000

CONCESSION AND MODERNIZATION OF THE BUS TERMINAL IN GUAYAQUIL.

The Government of Ecuador, received technical and financial assistance from the Ecuadorian Foundation, the Guayas Transit Commission, the Andean Development Corporation, Guayaquil's Chamber of Construction, the Ministry of Finance and the National Council for the Modernization of the State, in order to provide a quality service for all users of the "Jaime Roldos Aguilera" Bus Terminal in Guayaquil.

Once the preliminary studies were received the Guayas Transit Commission on October 10, 1996 published the announcement for the international public bid for service, rehabilitation, construction, maintenance and operation concession of the Guayaquil Bus Terminal.
The above mentioned concession will last 21 years. The investment represents approximately U.S. 16 million dollars, and the return rate 18% approximately.

The concession contract covers the following:

* Structural repair of the building and construction of platforms for the use of buses in the lower level and final waiting room.
* Development of profitable areas.
* Administration of the Bus terminal.
* Planning, control and coordination of all operations related to passengers and cargo.
* Total maintenance of the Guayaquil Bus Terminal.
* Cleaning of the building, indoors and outdoors, including gardens..
* Performance of surveillance and complementary services.

The pertinent bidding documentation can be acquired for US$5,000,oo. Contact the Guayaquil Transit Commission in Guayaquil, (Ave. Chile y Cuenca, Phones: (5934) 414555, 413229, FAX (5934) 414554, 402784). The due date for the reception of the required documents is February 6, 1997. Offers will be received until April 8, 1997.

Any additional information may be requested to the National Council for the Modernization of the State, Av. Juan Leon Mera # 130 y Av. Patria, Quito, Ecuador; Phone: (5932) 509432, 433, 435, FAX: (5932) 222501, Att. Sectorial Transportation Program.

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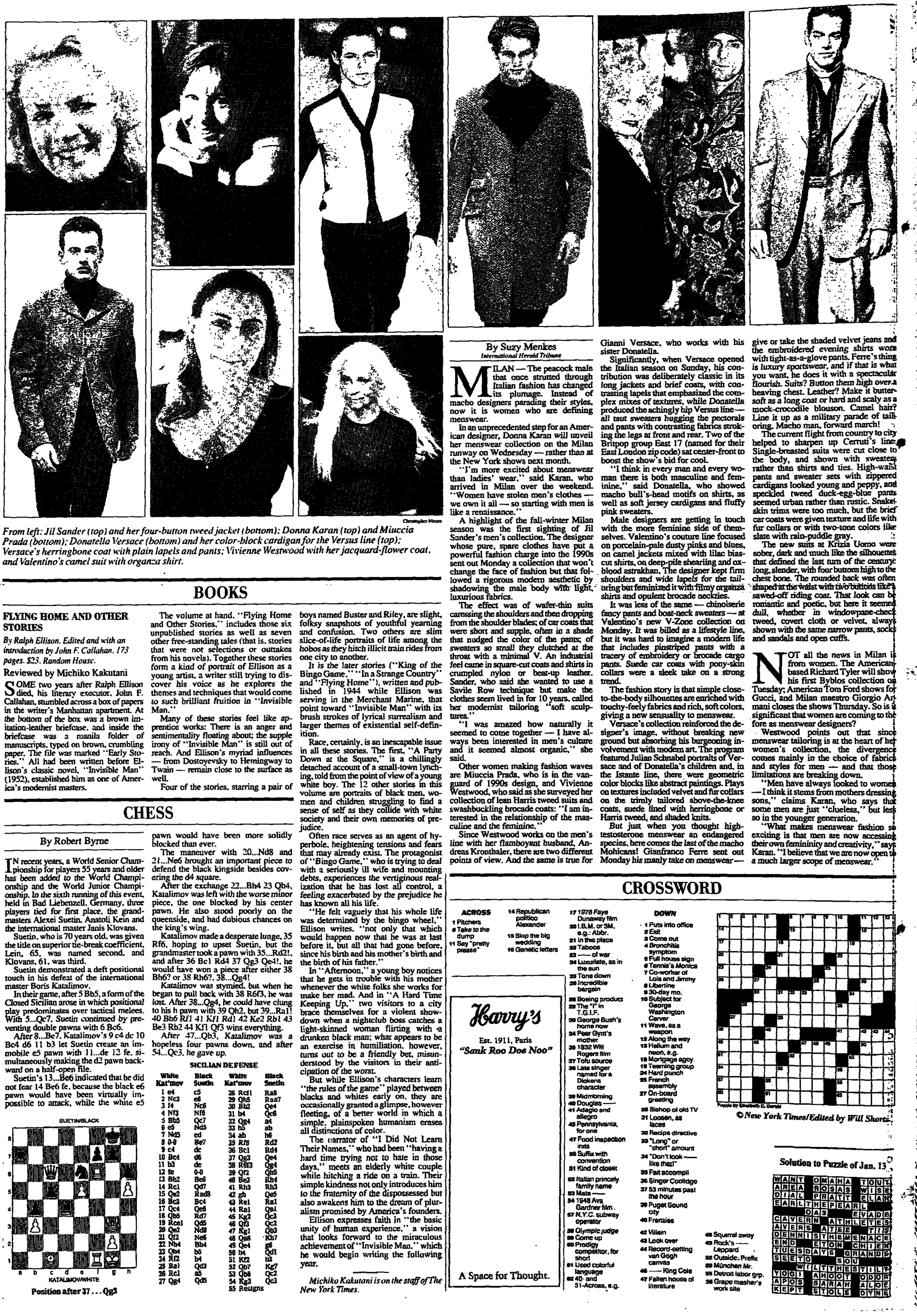
TOWARDS THE XXI CENTURY
MODERNIZATION: A CHANGE FOR ECUADOR

Women to the Fore: A Soft Touch for Milan's Menswear



Christopher Moore

From left: Jil Sander (top) and her four-button tweed jacket (bottom); Donna Karan (top) and Miuccia Prada (bottom); Donatella Versace (bottom) and her color-block cardigan for the Versus line (top); Versace's herringbone coat with plain lapels and pants; Vivienne Westwood with her jacquard-flower coat, and Valentino's camel suit with organza shirt.

By Suzy Menkes
International Herald Tribune

MILAN — The peacock male that once strutted through Italian fashion has changed its plumage. Instead of macho designers parading their styles, now it is women who are defining menswear.

In an unprecedented step for an American designer, Donna Karan will unveil her menswear collection on the Milan runway on Wednesday — rather than at the New York shows next month.

"I'm more excited about menswear than ladies' wear," said Karan, who arrived in Milan over the weekend. "Women have stolen men's clothes — we own it all — so starting with men is like a renaissance."

A highlight of the fall-winter Milan season was the first sighting of Jil Sander's men's collection. The designer whose pure, spare clothes have put a powerful fashion charge into the 1990s sent out Monday a collection that won't change the face of fashion but that followed a rigorous modern aesthetic by shadowing the male body with light, luxurious fabrics.

The effect was of wafer-thin suits caressing the shoulders and then dropping from the shoulder blades; of car coats that were short and supple, often in a shade that nudged the color of the pants; of sweaters so small they clutched at the throat with a minimal V. An industrial feel came in square-cut coats and shirts in crumpled nylon or beat-up leather. Sander, who said she wanted to use a Savile Row technique but make the clothes seem lived in for 10 years, called her modernist tailoring "soft sculptures."

"I was amazed how naturally it seemed to come together — I have always been interested in men's culture and it seemed almost organic," she said.

Other women making fashion waves are Miuccia Prada, who is in the vanguard of 1990s design, and Vivienne Westwood, who said as she surveyed her collection of lean Harris tweed suits and swashbuckling brocade coats: "I am interested in the relationship of the masculine and the feminine."

Since Westwood works on the men's line with her flamboyant husband, Andreas Kronthaler, there are two different points of view. And the same is true for Gianni Versace, who works with his sister Donatella.

Significantly, when Versace opened the Italian season on Sunday, his contribution was deliberately classic in its long jackets and brief coats, with contrasting lapels that emphasized the complex mixes of textures, while Donatella produced the achingly hip Versus line — all taut sweaters hugging the pectorals and pants with contrasting fabrics stroking the legs at front and rear. Two of the Britpop group East 17 (named for their East London zip code) sat center-front to boost the show's bid for cool.

"I think in every man and every woman there is both masculine and feminine," said Donatella, who showed macho bull's-head motifs on shirts, as well as soft jersey cardigans and fluffy pink sweaters.

Male designers are getting in touch with the more feminine side of themselves. Valentino's couture line focused on porcelain-pale dusty pinks and blues, on camel jackets mixed with lilac bias-cut shirts, on deep-pile shearling and ox-blood astrakhan. The designer kept firm shoulders and wide lapels for the tailoring but feminized it with filmy organza shirts and opulent brocade neckties.

It was less of the same — chinoiserie fancy pants and boat-neck sweaters — at Valentino's new V-Zone collection on Monday. It was billed as a lifestyle line, but it was hard to imagine a modern life that includes pinstriped pants with a tracery of embroidery or brocade cargo pants. Suede car coats with pony-skin collars were a sleek take on a strong trend.

The fashion story is that simple close-to-the-body silhouettes are enriched with touchy-feely fabrics and rich, soft colors, giving a new sensuality to menswear.

Versace's collection reinforced the designer's image, without breaking new ground but absorbing his burgeoning involvement with modern art. The program featured Julian Schnabel portraits of Versace and of Donatella's children and, in the Istante line, there were geometric color blocks like abstract paintings. Plays on textures included velvet and fur collars on the trimly tailored above-the-knee coats, suede lined with herringbone or Harris tweed, and shaded knits.

But just when you thought high-testosterone menswear an endangered species, here comes the last of the macho Mohicans! Gianfranco Ferre sent out Monday his manly take on menswear — give or take the shaded velvet jeans and the embroidered evening shirts worn with tight-as-a-glove pants. Ferre's thing is luxury sportswear, and if that is what you want, he does it with a spectacular flourish. Suits? Button them high over a heaving chest. Leather? Make it butter-soft as a long coat or hard and scaly as a mock-crocodile blouson. Camel hair? Line it up as a military parade of tailoring. Macho man, forward march!

The current flight from country to city helped to sharpen up Cerruti's line. Single-breasted suits were cut close to the body, and shown with sweaters rather than shirts and ties. High-waist pants and sweater sets with zippered cardigans looked young and peppy, and speckled tweed duck-egg-blue pants seemed urban rather than rustic. Snakeskin trims were too much, but the brief car coats were given texture and life with fur collars or with two-tone colors like slate with rain-puddle gray.

The new suits at Krizia Uomo were sober, dark and much like the silhouettes that defined the last turn of the century: long, slender, with four buttons high to the chest bone. The rounded back was often shaped at the waist with two buttons like a sawed-off riding coat. That look can be romantic and poetic, but here it seemed dull, whether in windowpane-check tweed, covert cloth or velvet, always shown with the same narrow pants, socks and sandals and open cuffs.

NOT all the news in Milan is from women. The American-based Richard Tyler will show his first Byblos collection on Tuesday; American Tom Ford shows for Gucci, and Milan maestro Giorgio Armani closes the shows Thursday. So is it significant that women are coming to the fore as menswear designers?

Westwood points out that since menswear tailoring is at the heart of her women's collection, the divergence comes mainly in the choice of fabrics and styles for men — and that those limitations are breaking down.

"Men have always looked to women — I think it stems from mothers dressing sons," claims Karan, who says that some men are just "clueless," but less so in the younger generation.

"What makes menswear fashion so exciting is that men are now accessing their own femininity and creativity," says Karan. "I believe that we are now open to a much larger scope of menswear."

BOOKS

FLYING HOME AND OTHER STORIES

By Ralph Ellison. Edited and with an introduction by John F. Callahan. 173 pages. $23. Random House.

Reviewed by Michiko Kakutani

SOME two years after Ralph Ellison died, his literary executor, John F. Callahan, stumbled across a box of papers in the writer's Manhattan apartment. At the bottom of the box was a brown imitation-leather briefcase, and inside the briefcase was a manila folder of manuscripts, typed on brown, crumbling paper. The file was marked "Early Stories." All had been written before Ellison's classic novel, "Invisible Man" (1952), established him as one of America's modernist masters.

The volume at hand, "Flying Home and Other Stories," includes those six unpublished stories as well as seven other free-standing tales (that is, stories that were not selections or outtakes from his novels). Together these stories form a kind of portrait of Ellison as a young artist, a writer still trying to discover his voice as he explores the themes and techniques that would come to such brilliant fruition in "Invisible Man."

Many of these stories feel like apprentice works: There is an anger and sentimentality floating about; the supple irony of "Invisible Man" is still out of reach. And Ellison's myriad influences — from Dostoyevsky to Hemingway to Twain — remain close to the surface as well.

Four of the stories, starring a pair of boys named Buster and Riley, are slight, folksy snapshots of youthful yearning and confusion. Two others are slim slice-of-life portraits of life among the hobos as they hitch illicit train rides from one city to another.

It is the later stories ("King of the Bingo Game," "In a Strange Country" and "Flying Home"), written and published in 1944 while Ellison was serving in the Merchant Marine, that point toward "Invisible Man" with its brush strokes of lyrical surrealism and larger themes of existential self-definition.

Race, certainly, is an inescapable issue in all these stories. The first, "A Party Down at the Square," is a chillingly detached account of a small-town lynching, told from the point of view of a young white boy. The 12 other stories in this volume are portraits of black men, women and children struggling to find a sense of self as they collide with white society and their own memories of prejudice.

Often race serves as an agent of hyperbole, heightening tensions and fears that may already exist. The protagonist of "Bingo Game," who is trying to deal with a seriously ill wife and mounting debts, experiences the vertiginous realization that he has lost all control, a feeling exacerbated by the prejudice he has known all his life.

"He felt vaguely that his whole life was determined by the bingo wheel," Ellison writes, "not only that which would happen now that he was at last before it, but all that had gone before, since his birth and his mother's birth and the birth of his father."

In "Afternoon," a young boy notices that he gets in trouble with his mother whenever the white folks she works for make her mad. And in "A Hard Time Keeping Up," two visitors to a city brace themselves for a violent showdown when a nightclub boss catches a light-skinned woman flirting with a drunken black man; what appears to be an exercise in humiliation, however, turns out to be a friendly bet, misunderstood by the visitors in their anticipation of the worst.

But while Ellison's characters learn "the rules of the game" played between blacks and whites early on, they are occasionally granted a glimpse, however fleeting, of a better world in which a simple, plainspoken humanism erases all distinctions of color.

The narrator of "I Did Not Learn Their Names," who had been "having a hard time trying not to hate in those days," meets an elderly white couple while hitching a ride on a train. Their simple kindness not only introduces him to the fraternity of the dispossessed but also awakens him to the dream of pluralism promised by America's founders.

Ellison expresses faith in "the basic unity of human experience," a vision that looks forward to the miraculous achievement of "Invisible Man," which he would begin writing the following year.

Michiko Kakutani is on the staff of The New York Times.

CHESS

By Robert Byrne

IN recent years, a World Senior Championship for players 55 years and older has been added to the World Championship and the World Junior Championship. In the sixth running of this event, held in Bad Liebenzell, Germany, three players tied for first place, the grandmasters Alexei Suetin, Anatoli Kein and the international master Janis Klovans.

Suetin, who is 70 years old, was given the title on superior tie-break coefficient, Lein, 65, was named second, and Klovans, 61, was third.

Suetin demonstrated a deft positional touch in his defeat of the international master Boris Katalimov.

In their game, after 5 Bb5, a form of the Closed Sicilian arose in which positional play predominates over tactical melees. With 5...Qc7, Suetin continued by preventing double pawns with 6 Bc6.

After 8...Be7, Katalimov's 9 c4 dc 10 Bc4 d6 11 b3 let Suetin create an immobile e5 pawn with 11...de 12 fe, simultaneously making the d2 pawn backward on a half-open file.

Suetin's 13...Be6 indicated that he did not fear 14 Be6 fe, because the black e6 pawn would have been virtually impossible to attack, while the white e5 pawn would have been more solidly blocked than ever.

The maneuver with 20...Nd8 and 21...Ne6 brought an important piece to defend the black kingside besides covering the d4 square.

After the exchange 22...Bh4 23 Qb4, Katalimov was left with the worse minor piece, the one blocked by his center pawn. He also stood poorly on the queenside, and had dubious chances on the king's wing.

Katalimov made a desperate lunge, 35 Rf6, hoping to upset Suetin, but the grandmaster took a pawn with 35...Rd2!, and after 36 Bc1 Rd4 37 Qg3 Qe4!, he would have won a piece after either 38 Bh6? or 38 Rh6?, 38...Qg4!

Katalimov was stymied, but when he began to pull back with 38 R6f3, he was lost. After 38...Qg4, he could have clung to his h pawn with 39 Qh2, but 39...Ra1! 40 Bb6 Rf1 41 Kf1 Rd1 42 Ke2 Rb1 43 Be3 Rb2 44 Kf1 Qf3 wins everything.

After 47...Qb3, Katalimov was a hopeless four pawns down, and after 54...Qc3, he gave up.

SICILIAN DEFENSE

White Kat'mov	Black Suetin	White Kat'mov	Black Suetin
1 e4	c5	28 Rcf1	Ra8
2 Nc3	e6	29 Qh5	Raa7
3 f4	Nc6	30 Bh2	Qe4
4 Nf3	Nf6	31 b4	Qc6
5 Bb5	Qc7	32 Qg4	a4
6 e5	Nd5	33 h5	ab
7 Nd5	ed	34 ab	h6
8 0-0	Be7	35 Rf6	Rd2
9 c4	dc	36 Bc1	Rd4
10 Bc4	d6	37 Qg3	Qe4
11 b3	de	38 R6f3	Qg4
12 fe	0-0	39 Qf2	Qh5
13 Bb2	Be6	40 Be3	Rh4
14 Rc1	Qd7	41 Rh3	Rh3
15 Qe2	Rad8	42 gh	Qe5
16 Bc3	Bc4	43 Re1	Ra1
17 Qc4	Qe6	44 Ra1	Qa1
18 Qb5	Rd7	45 Kg2	Qc3
19 Rce1	Qd5	46 Qf3	Qc2
20 Qe2	Nd8	47 Kg1	Qb3
21 Qf2	Ne6	48 Qg8	Kh7
22 Nb4	Bb4	49 Qe4	g6
23 Qb4	b5	50 h4	Qd1
24 Rf2	b4	51 Kf2	b3
25 Ba1	Qd3	52 Qb7	Kg7
26 Rc1	a5	53 Qb8	Qc2
27 Qg4	Qd5	54 Kg3	Qc3
		55 Resigns	

SUETIN/BLACK

KATALIMOV/WHITE

Position after 37 . . . Qg3

CROSSWORD

ACROSS
1 Pitchers
6 *Take to the dump*
11 Say "pretty please"
14 Republican politico Alexander
15 Slop the big wedding
16 Genetic letters
17 *1978 Faye* Dunaway film
20 I.B.M. or 3M, e.g.: Abbr.
21 In this place
22 Taboos
23 — of war
24 Luxuriate, as in the sun
25 Tone down
28 *Incredible* bargain
28 Boeing product
29 The "I" in T.G.I.F.
30 George Bush's home now
34 Peer Gynt's mother
35 1932 Will Rogers film
37 Tofu source
38 Late singer named for a Dickens character
39 Midmorning
40 Douglas —
41 Adagio and allegro
45 Pennsylvania, for one
47 Food inspection units
50 Suffix with convention
51 Kind of closet
52 Italian princely family name
53 Malta —
54 1948 Ava Gardner film
57 N.Y.C. subway operator
58 *Olympic judge*
59 Come up
60 Prodigy competitor, for short
61 Used colorful language
62 40- and 51-Across, e.g.

DOWN
1 Puts into office
2 *Exit*
3 Come out
4 Bronchitis symptom
5 Full house sign
6 *Tennis's Monica*
7 Co-worker of Lois and Jimmy
8 Libertine
9 30-day mo.
10 Subject for George Washington Carver
11 Wave, as a weapon
12 Along the way
13 Helium and neon, e.g.
18 Mortgage agcy.
19 Teeming group
24 Hard punch
25 French assembly
27 On-board greeting
28 Bishop of old TV
31 Loosen, as laces
32 Recipe directive
33 "Long" or "short" amount
34 "Don't look — like that!"
35 Fait accompli
36 Singer Coolidge
37 53 minutes past the hour
39 Puget Sound city
40 Frenzies
42 Villain
43 Look over
44 Record-setting van Gogh canvas
46 — King Cole
47 Fallen house of literature
48 Squirrel away
49 Rock's — Leppard
52 Outside: Prefix
53 München *Mr.*
55 Detroit labor grp.
56 Grape masher's work site

Puzzle by Elizabeth C. Gorski

© *New York Times/Edited by Will Short*

Harry's
Est. 1911, Paris
"Sank Roo Doe Noo"
A Space for Thought.

Solution to Puzzle of Jan. 13

W	A	N	T		O	M	A	H	A		T	O	U	T
A	R	E	A		R	O	S	A	S		W	I	S	E
D	I	A	L		P	R	A	T	T		E	L	A	N
E	A	R	L	T	H	E	P	E	A	R	L			
			O	A	S			E	V	A	D	E		
C	A	V	E	R	N		A	T	H	L	E	T	E	S
A	V	E	R	S		A	T	E	E			T	I	S
D	E	N	N	I	S	T	H	E	M	E	N	A	C	E
E	N	D			E	T	O	N		C	H	I	E	N
T	U	E	S	D	A	Y	S		G	R	A	N	D	E
S	E	E	T	O			S	O	U					
		W	I	L	T	T	H	E	S	T	I	L	T	
Y	O	G	I		A	H	O	O	T		O	D	O	R
A	P	O	S		S	A	R	A	H		A	L	O	E
K	E	P	T		S	T	O	L	E		D	Y	N	E

Herald Tribune INTERNATIONAL
BUSINESS/FINANCE
TUESDAY, JANUARY 14, 1997

EU Warns Of Suit Over Airline Pact

BA-American Deal Seen to Stifle Market

Compiled by Our Staff From Dispatches

BRUSSELS — The European Commission threatened Monday to take the British government to court if it cleared the planned alliance between British Airways and American Airlines on terms the commission considered too generous.

Raising the stakes in a jurisdictional wrangle over the plan, the EU's competition commissioner, Karel van Miert, urged British antitrust authorities to insist on more concessions from the two dominant trans-Atlantic airlines.

The pact would "eliminate all competition, both current and potential, between them on the market for transportation of passengers between the U.K. and the U.S.," Mr. van Miert said in a letter sent Friday to the British trade minister, Ian Lang, and released to reporters Monday.

Mr. Lang in December called on BA and American to give up 168 of their 3,352 weekly takeoff and landing slots at Heathrow Airport in London. The number, equivalent to 12 daily round-trip flights, was far fewer than rival U.S. airlines had wanted.

Both BA and British antitrust authorities say the European Commission, the executive body of the European Union, has no jurisdiction over the alliance, and they argue that it did not investigate three other affiliations between U.S. and European carriers proposed since 1993. Britain's Department of Trade and Industry said it was disappointed by Mr. van Miert's decision.

(Bloomberg, AFX)

■ Lufthansa Faces Strike Risk

Lufthansa AG faces a possible all-out strike by some of its staff next month after one of its main unions said it would be proceeding with plans to call a strike ballot, Reuters reported from Frankfurt.

The DAG white-collar union said it would be polling ground and air crew on their readiness to strike over the next three to four weeks. The union said it had hoped that two limited walkouts it called last year would be enough to persuade the airline to reconsider its pay offer.

Apichart Weerawong/Reuters — Ian Hodgson/Reuters

Kevin Keegan, former Newcastle United manager, left; at right, a Newcastle player, in striped shirt, in action.

Britain's National Sport Goes Public

By Fred Barbash
Washington Post Service

LONDON — When one of Britain's most beloved soccer managers resigned Wednesday, it was easily the biggest story of the day in Britain — the stuff of news flashes on television and front-page stories in every national paper. The man is worshipped.

More intriguingly, the resignation of Kevin Keegan from Newcastle United was also the biggest story in the City, as London's financial district is known, and there was nearly as much armchair commentary from stock-market analysts as from sportswriters.

The episode highlighted the hottest trend in the business of sports here and one of the hottest in investing: Soccer teams are going public, taking their chances on the stock market.

As a result, while most people who follow Britain's most popular sport still want to know whether their team won, more and more of them also want to know whether the team is outperforming the market.

Newcastle United, following the example of 10 other big-time teams, is scheduled to begin selling stock this spring. While some people wanted to know how Mr. Keegan's departure might affect the team's play, others were equally concerned about its impact on the potential share price.

As a matter of fact, the listed teams are doing considerably better than the rest of the market in London, and that feeds the investment fever. By some reckonings, the value of an average share in a soccer team rose 189 percent last year, compared with a rise of just under 12 percent for the benchmark FT-SE 100-share index.

The trend is a sharp departure from the long traditions of soccer here. Many British soccer teams were once the playthings of wealthy and sometimes flamboyant businessmen or were maintained by loyal local boosters. Most of the country's 90-odd professional teams still are.

But at the top of the heap — the Premier League of the nation's 20 best teams — public ownership is all the rage. The reason, as with all market-related matters, is money. A team can raise tens of millions of pounds by selling shares to an eager public, money that owners would otherwise have to take out of their own pockets, borrow from banks or raise privately from other rich people. In recent years, the skyrocketing price of players and the desire for fancy new stadiums have increased drastically the amounts that owners must invest. Newcastle United, which recently paid a record $22 million for a single player, hopes to raise roughly $250 million by selling stock.

In the Premier League, there is more money to be made than ever before, thanks in no small measure to the same man who purchased much of the television rights to America's National Football League, Rupert Murdoch. His Sky Sports network has bought rights to televise Premier League soccer, pumping millions in new money into the sport.

In addition, pay-per-view games are likely to make their debut in Britain soon, courtesy of Mr. Murdoch, and are expected to produce even more revenue for the teams. Money also will continue to pour in from promotional deals with sporting-goods companies, the beverage industry and other businesses seeking to identify with Britain's most popular game.

The kick that soccer is giving the stock market began quietly in 1983, when London's Tottenham Hotspur went public. In the past two years, it became a craze, with teams from Liv-

See SOCCER, Page 15

Airbus Partners Agree On Blueprint for Change

Plan Envisions Freestanding Company That Could Raise Capital for Expansion

By John Tagliabue
New York Times Service

ROME — Pressured by Boeing Co.'s announcement last month that it intended to acquire McDonnell Douglas Corp., the four partners in Airbus Industrie said Monday they had reached agreement to transform Airbus into an independent corporation.

The restructuring should help Airbus reduce the cost of manufacturing its aircraft and facilitate international business alliances while paving the way for outside financial participation, including the possible sale to the public of shares in the company, Airbus said.

In a statement issued at its headquarters in Toulouse, France, Airbus said the agreement represented "an important initial step in the consolidation of the aerospace industry within Europe."

The agreement underscores the growing competition Airbus anticipates if the proposed combination of its two principal rivals in the commercial-aircraft market goes ahead.

While Airbus Industrie, the consortium that sold its first jet in 1974, has grown to be a formidable competitor to Boeing, the market leader, the present shape of the consortium entrusts Airbus only with direct control of the marketing and sale of its aircraft. Under the agreement signed Monday, such essential functions as the design and procurement of components, production, testing and aircraft servicing would go under the direct control of the new company's centralized management, Airbus said.

Discussions to change the shape of Airbus had been dragging on for most of last year, but a breakthrough came in December with the announcement of the proposed Boeing takeover of McDonnell Douglas.

Nevertheless, an agreement represents little more than a memorandum of understanding, with only a broad outline of the future shape of Airbus as a limited-liability company.

Executives at Airbus, as well as industry analysts, said the toughest part of the transformation of Airbus into a single corporation was still ahead.

Airbus said the transfer to the new company of assets, such as design facilities and manufacturing plants, hinged not only on a judgment of "how far the assets are essential" for the construction of Airbus jetliners but also on a "detailed valuation" of the assets, which Airbus said it expected to complete by the end of this year.

Airbus aircraft are manufactured under a consortium composed of France's Aerospatiale and Germany's Daimler-Benz Aerospace AG, each controlling 37.9 percent of the business, British Aerospace PLC, with 20 percent, and Spain's Construcciones Aeronauticas SA, which holds 4.2 percent.

Initially, work on Airbus jetliners was split among the partners according to their share in the consortium. But in recent years, Airbus management won permission from the partners to bid for stakes in future projects, with contracts going to the lowest bidders.

Last year, by most measures, Airbus won roughly 35 percent of new commercial-aircraft orders, leaving Boeing and McDonnell Douglas together with about 65 percent of the market.

Airbus said it booked firm orders for 326 aircraft last year, valued at a total of $23.6 billion.

■ Aerospatiale-Lockheed Talks

Aerospatiale and Lockheed Martin Corp. are discussing possible cooperation in defense activities, possibly including adapting Airbus planes for military use, the president of Aerospatiale, Yves Michot, said, according to news agency reports.

"We have a big interest in having talks with Lockheed Martin, and Lockheed Martin has the same interest in having discussions with us," he said.

Aerospatiale and Daimler-Benz Aerospace, meanwhile, have halted talks on a merger of their missile and satellite activities, Mr. Michot said.

The French state-owned aerospace and defense company also said it would post a profit for 1996 after four years of losses, citing a recovery in civil airplane orders and cost-cutting.

(AFP, Reuters, Bloomberg)

Thinking Ahead /Commentary

The Voices of Global Doom Are Wrong

By Reginald Dale
International Herald Tribune

WASHINGTON — Prophets of doom are beginning to be heard warning that economic globalization is propelling the world to some indescribable catastrophe. The warnings are frequently couched in apocalyptic terms — and usually imply it is all America's fault.

Typical of the genre is a new book by the American author William Greider, "One World, Ready or Not: The Manic Logic of Global Capitalism," which is currently attracting attention in Washington.

Mr. Greider expounds the familiar theme that multinational corporations are ruthlessly exploiting the workers of the world by switching production to wherever wages are lowest. Low-paid workers not only are stealing jobs from their brethren in richer countries, the theory goes, but will drag world wages down to their level.

That much we have heard before, despite the fact that numerous serious economists have researched the proposition and found little evidence to support it — most foreign investment, for instance, leads to increased exports from home.

But Mr. Greider and his fellow doomsayers undauntedly go much further. The mass victimization of workers, they say, will ultimately provoke a huge social upheaval. The world, Mr. Greider writes, is heading toward some kind of abyss — "an economic or political cataclysm of unknowable dimensions."

There is no doubt that globalization is already provoking a political backlash. It can be seen in labor protests on the streets of Europe and in the postures of politicians such as Pat Buchanan and Ross Perot in the United States.

Those angry voices will grow louder when recession next bites. War and suffering have not come to an end, and neither have ideological conflicts. But the doomsayers' warnings are based on severely flawed premises — and they stem from moral rather than economic judgments.

Perhaps that is not surprising. For those who don't like capitalism, globalization presents an awkward problem — by most standard measures, it has been far too successful.

The breakdown of economic barriers and the spread of private investment around the world are finally bringing hope and prosperity to vast regions hitherto mired in poverty. Developing nations are scrambling to climb on the bandwagon.

This is because, although globalization does reflect Anglo-Saxon free-market principles, it is not exactly being forced down the rest of the world's throat by the United States. As China alone should show, most of the world is turning to capitalism because it has seen that it works.

Of course, anyone can travel to Indonesia, as Mr. Greider did, and find labor abuses. But the vast majority of investment by multinational corporations does not go to low-wage countries. It goes to developed regions such as Europe, Canada and the United States.

When companies choose investment sites, the prime considerations are usually not low wages, which account for only a fraction of production costs, but other factors, such as proximity to markets, transport and communications.

Nor do most multinational companies abandon their factories when wages rise to look for lower-cost production elsewhere, as is frequently alleged. As Gary Hufbauer of the Institute for International Economics in Washington points out, most multinationals are not in labor-intensive businesses.

When such things do happen, it is normally only in the highly labor-dependent clothing sector, in which multinationals are predominantly Asian, and in footwear. Even in those industries, most multinationals pay high wages by local standards.

Of course there is exploitation — but that hardly began with globalization. American fortunes were made from sweatshops in the late 19th century and from slave labor before that.

It is also true that not everyone is yet benefiting from the global economy, particularly in the poorest countries. But so far, globalization has done far more good than harm — and most multinational corporations are actually better behaved than they used to be.

CURRENCY & INTEREST RATES

Cross Rates

Jan. 13

	$	£	D.M.	F.F.	Lira	D.fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.7845	2.977	1.1227	0.3328	0.1154*	—	5.4465*	1.2942	1.5345*	1.334	1.345*
Brussels	32.23	54.75	20.6175	6.115	2.1135*	18.365	—	23.7575	0.2819	24.38	24.7125*
Frankfurt	1.5863	2.6558	—	0.2964	0.1429*	0.8907	4.8509*	1.1534	1.3628*	1.1768	1.1991*
London (a)	1.682	—	2.6534	8.9455	2,579.15	2.9786	54.6488	2.3004	194.848	2.3491	221.414
Madrid	131.477	221.505	83.408	24.722	8.586*	74.304	4.046	96.047	112.851*	98.364	—
Milan	1,548.50	2,580.65	971.25	288.51	—	867.88	47.222	1,119.75	12.22	1,343.49	11.483
New York (b)	—	1.6754a	1.5907	5.3685	1,547.80	1.7825	32.74	1.3759	116.475	1.3473	132.715
Paris	5.3586	8.957	3.3728	—	0.3473*	3.0056	0.1637	3.985	4.6048*	3.9788	4.046*
Tokyo	116.29	195.22	73.27	21.72	0.753	65.29	3.5546	84.65	—	86.30	0.8871
Toronto	1.3434	2.2548	0.8482	0.2513	0.0872*	0.7556	0.4115*	0.9708	1.1576*	—	1.0105*
Zurich	1.3307	2.2383	0.8468	0.2540	0.0866*	0.7715	4.2588*	—	1.1426*	1.0219	1.0034*
1 ECU	1.2262	0.7348	1.9507	6.5027	1,894.36	2.1197	40.3126	1.484	140.907	1.6540	162.648
1 SDR	1.4044	0.8580	2.2595	7.6327	2,197.76	2.5385	46.4882	1.9399	165.342	1.9273	186.687

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers and Toronto rates at 3p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Libid-Libor Rates

Jan. 13

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 3/8 - 5 1/2	2 15/16 - 3 1/16	1 7/16 - 1 9/16	6 1/8 - 6 1/4	3 5/16 - 3 7/16	3/8 - 1/2	4 - 4 1/8
3-month	5 7/16 - 5 9/16	2 15/16 - 3 1/16	1 9/16 - 1 11/16	6 3/16 - 6 5/16	3 5/16 - 3 7/16	7/16 - 1/2	4 - 4 1/8
6-month	5 1/2 - 5 5/8	2 15/16 - 3 1/8	1 5/8 - 1 13/16	6 3/8 - 6 1/2	3 3/8 - 3 1/2	7/16 - 1/2	4 - 4 1/8
1-year	5 7/8 - 6	3 1/16 - 3 3/16	1 3/4 - 1 7/8	6 7/8 - 7	3 7/16 - 3 5/8	1/2 - 5/8	4 - 4 1/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	248.38	Mex. peso	7.824	S. Afr. rand	4.6815
Australian $	1.2837	Hong Kong $	7.7369	N. Zealand $	1.4196	S. Kor. won	847.60
Austrian sch.	11.167	Hung. forint	162.77	Norw. krone	6.357	Swed. krona	6.9118
Brazil real	1.0415	Indian rupee	35.845	Phil. peso	26.32	Taiwan $	27.47
Chinese yuan	8.3267	Indo. rupiah	2362.85	Polish zloty	2.90	Thai baht	25.63
Czech koruna	27.31	Irish £	0.6077	Port. escudo	158.12	Turkish lira	110375.
Danish krone	6.0437	Israeli shek.	3.257	Russ ruble	5599.0	UAE dirham	3.6785
Egypt. pound	3.392	Kuwaiti dinar	0.30	Saudi riyal	3.7490	Venez. boliv.	475.75
Fin. markka	4.7209	Malay. ring.	2.4715	Sing. $	1.404		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6680	1.6669	1.6955	Japanese yen	115.86	115.41	114.91
Canadian dollar	1.3444	1.3419	1.3392	Swiss franc	1.3739	1.3701	1.3659
Deutsche mark	1.5851	1.5821	1.5787				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5 5/16	5 1/4
90-day CDs dealers	5.48	5.45
180-day CP dealers	5.33	5.40
3 month Treasury bill	5.04	5.03
1-year Treasury bill	5.35	5.34
2-year Treasury bill	6.04	6.02
5-year Treasury note	6.38	6.37
7-year Treasury note	6.48	6.47
10-year Treasury note	6.61	6.60
30-year Treasury bond	6.85	6.84
Merrill Lynch 30-day RA	4.95	4.95
Japan		
Discount rate	0.50	0.50
Call money	0.40	0.41
1-month interbank	0.53	0.53
3-month interbank	0.53	0.56
6-month interbank	0.56	0.56
10-year Govt bond	2.49	2.57
Germany		
Lombard rate	4.50	4.50
Call money	3.10	3.12
1-month interbank	3.12	3.15
3-month interbank	3.13	3.15
6-month interbank	3.17	3.18
10-year Bund	5.83	5.93

Britain		
Bank base rate	6.00	6.00
Call money	5 3/4	5 13/16
1-month interbank	6 1/8	6 1/16
3-month interbank	6 1/4	6 1/4
6-month interbank	6 5/16	6 5/16
10-year Gilt	7.59	7.62
France		
Intervention rate	3.15	3.15
Call money	3 1/4	3 1/4
1-month interbank	3 1/4	3 1/4
3-month interbank	3 1/4	3 1/4
6-month interbank	3 1/4	3 1/4
10-year OAT	5.69	5.81

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	358.50	358.70	+0.40
London	359.60	359.60	−1.35
New York	360.00	359.70	−0.50

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

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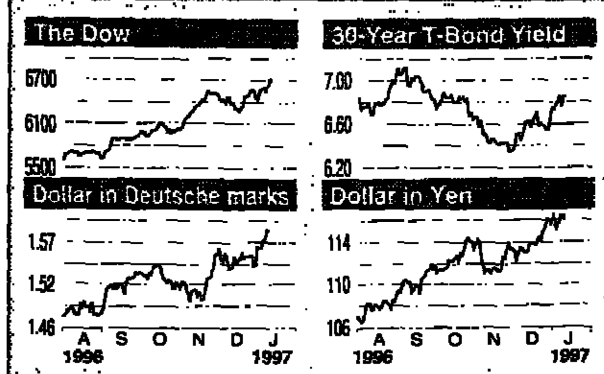
Investor's America



Exchange	Index	Monday Close	Prev. Close	% Change
NYSE	The Dow	6709.18	6703.79	+0.08
NYSE	S&P 500	759.51	759.50	Unch.
NYSE	S&P 100	745.48	744.94	+0.07
NYSE	Composite	400.71	400.76	-0.01
U.S.	Nasdaq Composite	1330.91	1329.26	+0.12
AMEX	Market Value	586.13	586.04	+0.02
Toronto	TSE Index	6001.68	5984.93	+0.28
São Paulo	Bovespa	74117.50	74783.41	-0.89
Mexico City	Bolsa	3560.55	3598.09	-0.99
Buenos Aires	Merval	674.38	674.93	-0.08
Santiago	IPSA General	5160.26	5135.16	+0.49
Caracas	Capital General	6523.90	6599.61	-1.15

Source: Bloomberg, Reuters. International Herald Tribune

Outlook for a Better Office

Microsoft Update Is Heavy on Internet Access

By Steve Lohr
New York Times Service

NEW YORK — Bill Gates of Microsoft Corp. will take the stage of Alice Tully Hall at Lincoln Center in Manhattan on Thursday to introduce Office 97, the new version of the company's software bundle for office computing.

But the real star of the show, analysts say, will probably be a new application, called Outlook, that has been added to the Office software suite, joining such popular programs as Word and Excel.

Outlook, analysts say, shows the progress Microsoft has made in linking its traditional products with the Internet, a key element in the company's effort to keep its sales rising rapidly.

The new application, they add, also represents Microsoft's bid for leadership against rivals like International Business Machines Corp. and Netscape Communications Corp. in the fast-growing market for so-called groupware programs, which help employees work in collaborative groups.

Growth in the Office line is vital for Microsoft because it is the company's financial mainstay, generating an estimated $4.4 billion in sales last year. Industry analysts predict that Office 97 will prompt more users to buy upgrades and new software than did Microsoft's previous office suite two years ago. The suggested retail price for Office 97 is $499. Office users can upgrade their old versions for $209.

The Outlook program is called an information management application. It appears on a user's computer screen looking almost like an operating system, with icons along the left side. From this "shell," or interface, a user can start other applications, read and answer electronic mail, schedule meetings or work collaboratively.

The Internet integration is evident, for example, when a worker is writing a report and makes a reference to information that can be found on a site on the Internet's World Wide Web. If the user types a Web site address in the report, say "www.whitehouse.gov," the underlying software in Office 97 recognizes that as an Internet address and creates the hypertext link to the specified site. It does not require the person writing the report to write any computer code.

That kind of intelligence feature, integration with the Internet and tools for collaborative work appear to be an impressive combination. Microsoft has lagged IBM's Lotus Notes in groupware. But Office 97, analysts say, could change that.

Blue-Chips Set Record As Bank Stocks Gain

Compiled by Our Staff From Dispatches

NEW YORK — Stock prices reached another record Monday as gains in banks and computer chipmakers offset sliding oil shares.

The Dow Jones industrial average closed up 5.39 points at 6,709.18, its fifth record close in six sessions. The 30-stock average would have risen more except for the decline in its four leading oil companies amid concern that oil prices may have peaked, threatening profits.

Exxon fell 2⅜ to 103⅛, Chevron dropped 1⅝ to 68⅛, and Texaco declined 1⅞ to 105½.

"Earnings announcements are going to be key," said Mark Donovan, a principal at Boston Partners Asset Management. "There's going to be a lot of action good and bad."

Advancing issues outpaced declining issues by a 13-11 ratio on the New York Stock Exchange. The Standard & Poor's 500-stock index edged up 0.01 point, to 759.51. The Nasdaq Composite index fell 1.11 to 1,330.91

The yield on the benchmark 30-year Treasury bond was unchanged at 6.85 percent, while the price slipped 3/32 point, to 95 18/32.

The markets were underpinned by comments from Lawrence Lindsey, a Federal Reserve Board governor, who said the U.S. economy remained on a path of strong growth and low inflation and that the risks that a shock might soon end to this period of expansion were slight.

"Right now the economy seems pretty much well balanced," Mr. Lindsey said in a televised interview. "We continue to have strong growth. We continue to have relatively low inflation. I think it's quite positive."

Better-than-expected earnings from J.P. Morgan lifted the bank sector.

J.P. Morgan climbed 2¾ to 102½ after it said profit rose 14 percent in the fourth quarter.

First Union helped its shares by announcing a $1.89 billion, 25 million-share buyback. If the bank carries out the full plan, it would repurchase 8.7 percent of its shares outstanding. First Union rose 2 to 77½.

Barnett Banks said its net income jumped to 76 cents a share, 1 cent shy of Wall Street forecasts. Its shares rose ¼ to 40⅞.

The company lifted profit by cutting its provision for bad loans, partly through selling $776 million in credit-card accounts to Household International Inc. Barnett earned 67 cents a share in the year-earlier period.

"The place I have the highest confidence of good earnings is in the financial services," Mr. Donovan said.

Technology stocks also were strong, with Intel rising 1⅜ to 145⅞ and Dell Computer rising 2⅝ to 62⅝.

Advanced Micro Devices rose 1½ at 29¼. After the market closed,

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the chipmaker reported a fourth-quarter loss of $21.2 million despite an increase in revenue.

But many analysts were optimistic for stocks in general. With the economy accelerating from its third-quarter pace and inflation holding steady, stocks have the footing for climbing to new heights, they said.

Investors pumped money into U.S. equity mutual funds in the early days of 1997, after slowing their purchases in December amid concern about the market's volatility.

Several fund groups, including Oppenheimer Funds Inc. and Janus Capital Corp., said flows so far this month were at or near record rates.

For December, the Investment Company Institute estimated that a net $13.5 billion was invested in stock funds, down from $17.11 billion in November. Last year's lowest equity fund inflows occurred in July when $5.76 billion was invested, the trade group said.

For all of 1996, an estimated record $223 billion poured into equity funds, exceeding the previous all-time high of $129.6 billion in 1993 by more than 70 percent, the ICI said.

Meanwhile, Fidelity Investments' flagship Magellan Fund increased its holdings of technology stocks and cash in November and simultaneously reduced its bond position.

Bob Stansky, Magellan's manager, made the changes as investors continued to withdraw money from the fund. An estimated $4.86 billion was pulled from Magellan in the second half of 1996, said John Bonnanzio, editor of Fidelity Insight, an independent newsletter that tracks the No. 1 U.S. fund group.

"We've got strong earnings coming in the fourth (quarter), and that's what most people are expecting," said Richard Cripps, chief strategist at Legg Mason in Baltimore. "We have momentum."

(Bloomberg, AP)

Very briefly:

• **J.P. Morgan & Co.**'s fourth-quarter net profit rose 14 percent, to $419 million, as revenue from securities trading, investment banking and other nonlending businesses surged.

• **NationsBank Corp.**'s fourth-quarter net profit rose 24 percent, to $632 million, as it increased lending and fee-based businesses and cut costs.

• **Intel Corp.** named its co-founder and chief executive officer, Andrew Grove, as chairman, succeeding Gordon Moore, who will become chairman emeritus. Craig Barrett, the chief operating officer, will succeed Mr. Grove as president.

• **Phoenix Newspapers Inc.** will cease publication of The Phoenix Gazette on Saturday, ending 116 years of operation.

• **The Food and Drug Administration** recommended that **Hoechst AG's** allergy drug Seldane be removed from the market because a safer alternative was available.

• **Bibb Co.** plans to fire 580 textile-mill workers, about 11 percent of its work force, by the end of March as it slashes production of home furnishings.

• **Ameritech Corp.**'s fourth-quarter net profit rose 38 percent, to $570 million, as it attracted more cellular-phone customers.

Bloomberg, AP, Reuters

American Standard Rejects Tyco Bid

The Associated Press

PISCATAWAY, New Jersey — American Standard Cos., a maker of air conditioners and toilets, said Monday its board had rejected a takeover offer made last month by Tyco International Ltd., an industrial-products manufacturer.

With the company a possible takeover target, American Standard's stock closed $3 higher, at $43.25.

Tyco, based in Exeter, New Hampshire, proposed a purchase for $4 billion in stock and cash, according to published reports. The reports said Tyco had proposed in a letter dated Dec. 5 to pay $50 a share in stock and cash and said it would assume American Standard's debt, which stood at $1.7 billion as of Sept. 30.A Tyco spokesman confirmed the letter's authenticity.

■ Santa Fe Weighs Higher Bid

Santa Fe Pacific Gold Corp. said it would meet with Newmont Mining Corp. to discuss Newmont's sweetened takeover offer, Bloomberg Business News reported from Albuquerque, New Mexico. Santa Fe said no decision had been made about whether to end an agreement reached last month for it to be acquired by Homestake Mining Co. Newmont raised its stock-swap offer for Santa Fe last week to $16.50 a share, or $2.2 billion, and said it would go to Santa Fe shareholders with the offer.

Officials' Comments Bolster Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar soared against most other major currencies Monday, particularly the Deutsche mark, after supportive comments by the U.S. Treasury secretary, Robert Rubin, and the Bundesbank president, Hans Tietmeyer.

Mr. Rubin reiterated that a strong dollar was in America's interest, while Mr. Tietmeyer said that the Group of 10 central bank governors were not concerned about current exchange rates.

The comments "give people added confidence about the dollar," David Becker at Bank Austria said.

The dollar rose to 1.5888 Deutsche marks from 1.5859 DM on Friday, to 116.475 yen from 116.125 yen and to

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5.3606 French francs from 5.3508 francs but edged down to 1.3759 Swiss francs from 1.3760 francs. The pound fell to $1.6755 from $1.6800. The dollar drew support against the yen from news that Japan's current-account surplus fell 15 percent in November, meaning Japanese traders and investors were receiving less foreign currency to sell for yen. The dollar's strength also stemmed from expectations for U.S. interest rates to rise while German rates remain low or fall further.

"U.S. economic strength compared with Germany and higher U.S. interest rates than in Germany mean the dollar is ultimately headed higher," said Peter Ullrich, a trader at GiroCredit Bank.

Mr. Tietmeyer, meanwhile, criticized the idea that the planned European central bank could set out to steer currency rates.

(Bloomberg, Reuters)

Weekend Box Office

The Associated Press

LOS ANGELES — The Relic" dominated the U.S. box office over the weekend, with a gross of $9.4 million. Following are the Top 10 moneymakers, based on Friday's ticket sales and estimated sales for Saturday and Sunday.

1. The Relic	(Paramount)	$9.4 million
2. Evita	(Hollywood Pictures)	$8.6 million
3. Michael	(New Line Cinema)	$8.5 million
4. Jerry Maguire	(Tri-Star)	$7.8 million
5. Scream	(Dimension Films)	$7.6 million
6. Jackie Chan's First Strike	(New Line Cinema)	$6.5 million
7. The People vs. Larry Flynt	(Columbia)	$5.6 million
8. Turbulence	(Metro-Goldwyn-Mayer)	$4.4 million
9. One Fine Day	(20th Century Fox)	$3.6 million
10. Beavis & Butt-head Do America	(Paramount)	$3 million

AMEX

Monday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	931	17¾	16½	17¾	+1¼
ARC	309	4⅛	3¹⁵⁄₁₆	4	—⅛
AckGrp s	245	11⅝	10⅝	11	+⅛
AdmRsc	902	18⅜	16⅜	17½	—1½
AdvMag	86	18½	17¼	17¼	+⅛
AdvMed	426	4⅝	4⁷⁄₁₆	4⅝	+⅛
AirWat	271	6¹⁵⁄₁₆	6⅝	6¾	+⅛
Alamco	402	12½	12	12½	+⅛
AHoagen	545	15⅝	15⅛	15⅜	+⅛
AlldRsh	312	8	7⅝	7⅞	—⅛
Alphaln	1304	8⅜	7¾	8⅜	+⅛
AltLivng n	315	12½	12⅛	12⅛	+⅛
Amdhl	1694	12¼	12	12⅛	
AExpl	2239	17⅛	16⅜	17⅛	+1⅛
AIM 84	222	3⅜	3¼	3⅜	
AIM 85	182	14⅜	14¼	14⅜	
AIM 88	152	14⅜	14	14⅛	+⅛
Am List	95	24⅜	24	24⅜	+⅛
AmerPag	310	5⅜	4⅝	4⅞	+⅜
AScIE	176	13⅛	12⅞	13⅛	+⅛
ATechC	311	8⅞	7½	8⅛	+1
Ampal	95	5⅜	5	5¼	+⅛
Ampex	2045	10	9⅝	9⅞	—⅛
AngMag	85	13⅝	13½	13½	
Asmtc	1117	6⅝	6	6¼	+⅛
Audvox	7074	6⅝	6¼	6⅜	—¼
Autotote	796	1¹⁵⁄₁₆	1½	1⅝	+⅛
AvivoPet	100	4	3⅝	3⅝	
Axogen un	191	28⅝	27⅜	28⅛	—½
Azco	912	1⅝	1½	1⁹⁄₁₆	—⅛
BAT Ind	312	16⅝	15⅞	16⅛	+⅛
Baker	196	6⅝	6½	6⅝	
Balnty	254	18⅜	18⅛	18⅛	+⅛
ecBnkrN	192	1⅝	1½	1⅝	
BarrLb s	82	25⅞	25	25⅞	+⅛
Bayou	287	3	2¹⁵⁄₁₆	2¹⁵⁄₁₆	—⅛
BS MRK	82	47⅜	47⅛	47⅜	+⅛
BemaGold	2160	6⅝	6	6⅛	+⅛
BnkNtl	102	39⅝	38⅞	39	—⅞
BioR A s	125	30⅞	30	30⅛	—⅞
Blessings	133	9⅝	9⅛	9⅛	—⅛
Bogert wt	423	⅛	⅛	⅛	
BolTch n	744	6	5⅝	5¹⁵⁄₁₆	+⅛
Bowne	165	23⅜	23⅛	23⅜	—⅛
Brandyw s	567	20	19⅝	19⅝	—⅛
BriliDig n	590	6	5½	5⅝	—⅛
B&HMun n	94	14⅛	13⅞	13⅞	—⅛
CE Frnk g	236	4⅞	4¹³⁄₁₆	4⅞	—⅛
CET EnvS	109	5⅝	5⅛	5⅜	—⅛
Cablvsn	375	33⅝	33	33⅛	
Cablvs pf	136	21⅞	21½	21⅝	+⅛
Cabletel g	176	57⅛	56⅝	56⅝	+⅛
Calton	126	⅝	⅝	⅝	
Cambior	399	14⅝	14	14⅝	+⅜
CdnOc g s	2315	17⅞	17¼	17⅜	+⅛
CanyonRs	418	2½	2⅜	2⅜	—⅛
Caremrx n	114	15⅞	15	15⅞	—⅛
CFCda g	312	4⅝	4⅜	4⅝	—⅛
ChadThr	122	15⅝	15⅛	15⅜	—⅛
Chief	991	24⅞	24½	24½	—⅛
Citizinc	110	8⅝	8⅜	8⅜	—⅛
CohenStr	248	12⅜	12⅛	12⅛	—⅛
ColLb	739	14½	14⅛	14⅛	—⅛
CmdrA wt	211	1⅜	1⅛	1⅜	—⅛
CompTch	85	12	11⅝	11⅝	—⅛
CmpMan	126	13⅜	12⅝	12⅞	—⅛
Continucre	137	8	7⅞	8	
ecCreatC	88	1⅜	1⅛	1⅜	—⅛
Cross	1071	12	11⅝	12	+⅛
ecCrwnL	672	1⅝	1	1	—⅛
Cubic s	89	27⅝	26⅝	26⅝	—⅝
Cycom gs	557	3⅝	2⅝	3	
DI Ind	3875	3⅝	3⅜	3⅜	—⅛
DakotaM	408	1⅜	1¼	1⅜	
DaniHd	186	5⅝	5⅜	5⅝	+⅛
Datamet	212	1⅝	1½	1⅝	+⅛
Dataram	152	10⅜	9⅞	10	—⅛
DaytonMn	1111	4⅞	4⅝	4⅝	—⅛
DevlE	843	38⅝	38	38⅝	+⅛
DiagRet	105	12	12	12	+⅛
Donelly	271	23⅞	23⅜	23⅞	+⅛
DryfMu	772	10⅜	10	10⅜	+⅛
EchoBay	8305	7	6⅝	6⅝	—⅛
Edisto	272	9⅝	9⅛	9⅛	+⅛
Edtek	519	⅞	⅞	⅞	+⅛
ElPasoE n	1365	7⅝	7⅛	7⅝	+⅜
Elswth	95	9⅝	9⅝	9⅝	+⅛
Emeritus	498	11⅝	11⅛	11⅛	—⅛
EmerR	345	1⅛	1⅛	1⅛	+⅛
EnzoBi	4019	21	18⅜	18⅜	—2
EquusII	121	16⅛	16⅛	16⅛	—⅛
FemOne	88	4⅛	4	4	—⅛
FAusI	443	8⅝	8⅛	8⅝	—⅛
FAusPr	2516	8⅝	8⅛	8⅜	+⅛
Fribrg	201	11⅛	11	11⅛	+⅛
ForstLb	1184	32⅝	32⅛	32⅛	—⅛
FortPet	394	3⅝	2¹⁵⁄₁₆	3	+⅛
FrnkSel	114	5⅝	5⅜	5⅝	+⅛
Frischs	105	15⅝	14⅝	15⅝	+⅛
GST Tele	1617	10⅜	9⅞	10⅛	+⅛
GamoB	130	3⅝	3⅛	3⅛	—⅛
Goran	84	19⅝	19	19⅝	+⅛
GayICn	5106	7⅛	6¹⁵⁄₁₆	7	—⅛
GelmSci	469	32⅝	32⅛	32⅛	—⅛
Gencor	90	19⅛	18⅜	18⅜	—⅛
GnAuto	229	2⅛	2	2⅛	—⅛
GenyOr	87	15⅛	14⅝	14⅝	—⅛
GnchGld	607	38⅝	37⅝	37⅝	+⅛
GiantFd	964	34⅝	34	34⅛	+⅛
Glatflt	264	18⅜	18	18	—⅛
GlbIOcn	212	2⅜	2	2	—⅛
GlobSmi	117	12	11⅝	11⅝	—⅛
Globlink	450	3⅝	3⅝	3⅝	—⅛
GoVideo	150	1⅝	1⅝	1⅝	+⅛
GldStrR	1361	15⅝	14⅝	15	+⅛
GldFld	206	⅝	⅝	⅝	
GrnBayC	196	1⅝	1⅝	1⅝	—⅛
GreyhndL	2365	4⅝	4⅜	4⅝	+⅛
HalEP	201	9⅝	9⅝	9⅝	—⅛
HallwdH n	559	17⅛	16⅛	17⅛	+1⅛
HampOr	262	6⅝	6⅝	6⅝	—⅛
HanDir	272	⅝	⅝	⅝	
Han wtB	4198	⅛	⅛	⅛	
Harken	19963	3⅝	3⁹⁄₁₆	3⅝	+⅛
Hasbro	2796	37⅝	37⅛	37⅝	+⅛
HlthPro s	133	1⅝	1⅝	1⅝	—⅛
Hearx n	3111	2⅝	2⅜	2⅜	+⅛
Heico s	254	27	26⅝	26⅝	+1⅛
HlShearT	144	6⅝	6⅛	6⅛	—⅛
HomeVII n	323	18⅜	18⅛	18⅛	
HomeV wt	123	9⅝	9	9	+⅛
Hondo	155	11⅝	11	11⅛	
HoopH	122	17⅝	16⅝	16⅝	—⅛
HouBio	138	1⅝	1⅛	1⅛	—⅛
HovnEn	104	7⅝	7⅛	7⅛	—⅛
HungTel	82	10⅝	10⅛	10⅛	—⅛
ICG Com	1038	17	16⅝	17	+⅛
IGI	98	7	6⅝	6⅝	—⅛
Identix	1434	10⅝	10⅛	10⅛	
ImpCMtg	148	22⅝	22⅛	22⅛	—⅛
ImpOil g	342	47⅝	47⅛	47⅛	
InstMd	88	11⅝	11⅝	11⅝	
IntegTc n	104	2⅝	2⅝	2⅝	
IntegTc wt	382	⅝	⅝	⅝	
IntlaSys	95	3⅝	3⅛	3⅛	
InClPd	1203	3⅝	3⅝	3⅝	—⅛
InterDig	1732	6⅝	6⅛	6⅛	+⅛
Intrmagn	246	12⅞	12⅝	12⅝	—¼
IonLaser	85	12	11⅝	11⅝	
IvaxCp	3722	11	10⅝	10⅝	—⅛
JTS Corp	2496	3¼	3⅛	3⅛	—⅛
JanBell	236	2⅛	2⅛	2⅛	
Janelnt	88	14⅛	13⅞	14	+⅛
KV Ph B	262	14⅝	12⅝	14⅛	+2
KV Ph A	712	14⅝	12⅝	14⅜	+2
Keane s	1500	34⅞	33	34	—⅛
KeyEng	4491	13⅞	13	13½	+⅛
KogrEq	1150	18	17⅝	18	+⅛
Krug	81	5	4⅞	4⅞	—⅛
LXRBiol	248	2⅛	2⅛	2⅛	+⅛
LaBarg	332	7	6⅞	7	+⅛
LehSTC wt	125	7½	7⅛	7½	+⅛
MAI Sys	391	7⅞	7⅛	7⅛	+⅛
MSB Bcp	104	19⅝	19½	19⅝	+⅛
MSR	140	⅞	⅞	⅞	+⅛
MagnPet	922	5⅛	4⅞	4⅞	—⅛
MaximPh n	153	7⅛	7⅛	7⅛	+⅛
Maxxam	127	52⅛	51⅛	51⅛	—½
MeasSpcl	213	3⅝	3⅜	3½	+⅛
MedcR	166	10	9⅞	10	+⅛
Medeva	98	17⅝	17½	17⅝	+⅛
Media	312	30⅝	30⅛	30⅝	+½
MediaLog	153	3⅝	3⅜	3⅝	—⅛
Medis	174	6½	6⅛	6⅛	—⅛
MercAir	318	7⅝	7½	7⅝	+⅛
ML Hlt01 n	86	9½	9⅜	9⅜	—⅛
ML TTY n	158	10⅛	10	10⅛	+⅛
MetPro s	96	13⅝	13⅜	13⅝	+½
Metromda	1097	11⅝	10⅝	11	—⅛
MidAtRty	115	11⅜	11½	11⅜	+⅛
MSNlk 97wt	171	2⅝	2½	2½	
MntaslaE	156	3½	3⅛	3½	+⅛
MuniMtg n	279	16⅝	16⅜	16⅝	—⅛
Munvst	440	9⅝	9⅛	9⅝	
MunyAZ	86	12½	12	12½	+⅛
Myersind	181	15⅝	15⅜	15⅝	
NTNCom	313	3⅛	3⅛	3⅛	—⅛
NVR	245	13⅝	13	13⅝	+⅛
Nabors	9707	21⅜	20⅝	21	—⅛
NatGsO	86	9	8⅞	9	
NtPatnt	713	9	8⅝	8⅝	—⅛
Netmed n	91	7⅝	7⅛	7⅛	—⅛
NY Times	614	37⅝	37½	37⅝	—⅛
Nordic wt	1250	4½	4½	4½	
NA Vacc	269	24	23¼	23⅞	+⅛
Novavx	652	3¹⁵⁄₁₆	3⅝	3¹⁵⁄₁₆	+⅛
OmniMult	383	2⅝	2½	2⅝	—⅛
Oncor	587	4½	4⁷⁄₁₆	4½	—⅛
Oncormd	106	6⅛	4	6	
Organgn	1588	22⅞	22½	22⅝	
PC Quote	135	2⅝	2⅝	2⅝	
PGECap pf	97	24⅝	24½	24½	—¼
PLC Sys	790	26⅝	25⅝	26	+½
PMC CT	214	18	17½	17⅝	+⅛
PanAmC n	292	8⅝	8⅛	8¼	
PaxsnC	634	9⅛	8⅞	9	
PegGld	3353	7⅛	7	7⅛	—⅛
PenRE	81	24⅝	24½	24⅝	+⅛
PeopleTel	253	3⅝	3⅛	3⅛	—⅛
PhxNet	302	4⅛	4	4	
Phonetel	619	3⅛	3⅛	3⅛	+⅛
PinnclEt	214	17½	17⅛	17½	+⅛
PinRsc	1298	17	16½	16½	—⅛
Polymed	172	4½	4⅜	4½	+⅛
Polyph	481	5⅛	5⅛	5⅛	
PortSys s	154	2⅛	1⅜	1⅜	
PrpdLg	981	16⅛	15½	16	+⅛
Pricell s	148	10⅛	9⅝	9⅝	—⅛
ProActiv n	243	1⅜	1⅜	1⅜	
PropCT	163	8⅛	8	8	—⅛
PsycCp	728	7⅛	6⅞	7	+⅛
PutnCA	87	15⅛	15	15	
PIGMT3	113	12⅛	12⅛	12⅛	—⅛
RF Pow	204	2⅛	2⅛	2⅛	+⅛
RLIonInn	105	23⅝	23⅛	23⅛	—⅛
RegalBel	107	20	19⅝	19⅝	—⅛
Riser	383	31⅛	30½	31⅛	+⅛
Rogers	136	27½	27⅛	27½	
RoyalO g	1829	3⅝	3⅛	3⅛	
SC Bcp	141	9⅝	9½	9⅝	+⅛
SaboPet s	483	24½	23⅝	23½	+⅛
SalAMGN	232	68⅛	68⅛	68⅛	+⅛
SBYen wt98	200	5½	5⅛	5½	+⅛
SFeGo pf	4515	¼	¼	¼	—¹⁄₁₆
Scheib	530	6⅝	6½	6½	—⅛
Schult	115	23⅛	23	23⅛	—⅛
Selas	85	16⅛	16⅛	16⅛	—⅛
Servico	202	17⅝	17⅛	17⅝	—⅛
ShellCm s	130	11⅛	11⅛	11⅛	+¼
SilverFds	118	2¹⁵⁄₁₆	2⅝	2¹⁵⁄₁₆	+⅛
ecSofigen	122	⅝	⅝	⅝	
SpatialT n	476	6⅛	5½	5½	—⅛
SPDR	13026	76½	75²⁵⁄₃₂	76¹⁄₃₂	—⅓₂
SP Mid	1011	51¹¹⁄₆₄	50⅝	50²³⁄₃₂	—¼
StarrtCo	7116	11⅛	10⅝	11	+⅛
Stephan	182	14½	13⅝	14½	+⅛
SubstAbus	2452	2⅛	1⅞	2	+⅛
Sulcus	276	2⅛	2	2	—¹⁄₁₆
SumitT x	114	11⅜	11⅛	11⅛	
Suncor g	86	46	43⅛	44⅛	+2⅞
SurvivC	145	4½	4⅝	4⅝	—⅛
Team	140	2⅛	2	2	—⅛
TelDta	444	35⅝	34⅞	35	—½
TexBiotch	745	4⅛	4⅛	4⅛	—¹⁄₁₆
TexBi wt	85	⅛	¹⁄₁₆	¹⁄₁₆	—¹⁄₁₆
TexMer	375	16½	16⅛	16⅛	
Thermed	606	19⅝	19⅛	19⅝	+⅛
ThmFib s	97	8⅝	8⅝	8⅝	+⅛
ThrInst	206	32⅝	32⅛	32½	—⅛
Thrmolse	387	17	16⅝	16⅝	—½
Thrmotrx	205	30⅝	30	30⅛	—⅛
TopSrce	900	2⅝	2¹⁵⁄₁₆	2¹⁵⁄₁₆	
TotlPet	107	10⅝	10⅛	10⅛	
TownCty	254	⁹⁄₁₆	½	⁹⁄₁₆	
TWA wt	126	4	3¹⁵⁄₁₆	3¹⁵⁄₁₆	+⅛
TWA	4000	6⅛	6¹⁵⁄₁₆	6¹⁵⁄₁₆	+¹⁄₁₆
TmsLx	87	12⅝	11½	12⅛	+⅛
Trnsmnt n	103	14	13⅝	14	+⅛
TrexMed n	194	17	16⅝	16⅝	+⅛
Trinitech	147	5⅝	5⅛	5⅛	+⅛
TrpAG97	238	9⅝	9⅝	9⅝	+⅛
Triton wt	200	⅛	⅛	⅛	
TubMex	1875	16⅝	16⅛	16⅛	—⅛
USFGP	171	18⅛	18⅛	18⅛	—⅛
UTI Eng	93	35⅝	35⅝	35⅝	+⅛
Unapix	155	4⅝	4½	4⅝	+⅛
Unilab	220	⅞	½	½	—¹⁄₁₆
Unimar	352	5	4¹⁵⁄₁₆	5	
UniMbl	152	4	3⅞	4	+⅛
UFoodB	79	1¹¹⁄₁₆	1⅝	1¹¹⁄₁₆	+⅛
USBioscı s	975	15⅝	15	15	—⅛
US Cell	397	27⅛	27	27	—⅛
VKAdM2	225	11⅝	11½	11⅝	+⅛
Viacom	1172	36⅝	36	36	
ViacB	5482	37⅛	36⅛	36½	—⅛
Viac wtC	1374	⅛	⅛	⅛	
VistaG g	2121	1⅛	1⅛	1⅛	—⅛
Vitronic	171	1⅛	1¹⁄₁₆	1¹⁄₁₆	
VoyMN2	86	12⅛	12⅛	12⅛	—⅛
WRIT	728	19	18⅝	18⅞	+⅛
Webcolnd	215	5¹¹⁄₁₆	5⅛	5⅝	
WIRET	353	13⅞	13	13⅞	
WhlmnE s	147	5⅛	5⅛	5⅛	
WirelsT s	1006	11⅝	11⅛	11⅝	—⅛
WEB Itan	255	16⅝	16⅛	16⅛	+⅛
WEB Jpn n	1255	12⅝	12	12⅛	+⅛
WEB Spn n	144	18⅝	17¹⁵⁄₁₆	18⁵⁄₁₆	+⅛
WEB Swz n	114	11⅝	11⅝	11⅝	—⅛
XCL Ltd	62746	⅜	⅛	⅜	+¹⁄₁₆
Xytron	269	1⅝	1⅛	1⅝	+⅛

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6728.42	6734.20	6669.54	6709.18	+5.39
Trans	2266.77	2270.47	2248.89	2255.21	—8.47
Util	236.30	237.07	236.88	237.07	+0.77
Comp	2086.31	2088.23	2070.78	2080.65	—0.19

Standard & Poors

	High	Low	Close	Chg.
Industrials	898.81	891.62	895.01	—0.49
Transp.	548.69	543.16	545.60	+0.14
Utilities	201.90	201.09	201.81	+0.44
Finance	83.08	82.31	82.59	+0.21
SP 500	762.85	756.69	759.51	+0.01
SP 100	748.43	741.91	745.48	+0.54

NYSE

	High	Low	Last	Chg.
Composite	402.22	399.43	400.71	—0.05
Industrials	509.80	505.88	507.73	—0.48
Transp.	356.63	354.03	355.20	+0.19
Utility	262.31	260.81	261.76	+0.95
Finance	356.09	353.82	354.68	+0.81

Nasdaq

	High	Low	Last	Chg.
Composite	1335.65	1330.52	1330.60	—1.42
Industrials	1146.41	1140.42	1140.42	—1.39
Banks	1287.09	1283.00	1287.09	+3.97
Insurance	1441.80	1435.44	1436.49	—4.82
Finance	1602.23	1598.20	1599.36	—0.43
Transp.	907.38	898.04	898.04	—6.84

AMEX

High	Low	Last	Chg.
588.86	585.69	586.13	+0.09

Dow Jones Bond

	Close	Chg.
20 Bonds	103.02	+0.02
10 Utilities	100.01	—0.13
10 Industrials	106.03	+0.17

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
BayNtwk	55853	22⅞	22¼	22⅞	+⅝
AMD	55710	30⅜	28⅜	29½	+1⅜
MicrnT	46440	33	31½	31⅝	—⅛
AT&T s	42922	39⅛	38⅝	38⅝	—¼
CmpAsc s	39300	47¼	45⅝	45⅝	—1⅝
Compaq	39061	79⅝	77¾	78½	—⅜
IBM	38999	166¼	162¾	164⅛	+1⅛
PepsiCo s	38715	29⅝	29	29½	+⅜
Motorola	34276	66⅞	65½	65⅝	—⅜
GnMotr	28504	61½	59½	60	—1⅛
GenElec	27747	103⅝	101½	103⅝	+2
LSI Log	26691	32⅜	30⅝	31⅝	+⅛
MercFn	26575	14½	13¼	13⅜	—⅛
JohnJn s	26274	51	50⅛	50⅜	—⅜
WalMart	25646	24⅛	23¼	23½	—½

Nasdaq

	Vol.	High	Low	Last	Chg.
Roslyn n	159780	15⅛	14⅝	15	
Intel	145050	147¹⁵⁄₁₆	144	146⅞	+2⅞
Amgen	108377	54½	52½	53	—2¹⁄₁₆
Cisco s	83424	69¹⁵⁄₁₆	68	69⅛	+½
MatTech	62458	½	⅜	½	+¹⁄₁₆
Microsft s	62044	85½	83½	83⅝	—⅝
Oracle s	59385	41⅜	40⅝	41	+⅛
Regenrn	56243	10⅛	9	9⅝	—1½
Intel wt	52616	109⅝	106	108⅝	+2¹⁵⁄₁₆
DellCpt s	51762	62⅞	60	61⅝	+1⅝
Macrmd	46321	10⅛	9⁵⁄₁₆	9¹³⁄₁₆	+⅛
ReadRt	45753	29⅝	27	29¼	+2¼
SunMic s	43732	28	27⅛	27⅝	+½
C-Phone	43107	19⅝	14⅝	15⅛	—1
TeleComA	42253	14⁹⁄₁₆	13⅝	13⅝	—⁹⁄₁₆

AMEX

	Vol.	High	Low	Last	Chg.
XCL Ltd	62746	⅜	⅛	⅜	+¹⁄₁₆
Harken	19963	3⅝	3⁹⁄₁₆	3¹¹⁄₁₆	+⅛
SPDR	13026	76½	75²⁵⁄₃₂	76¹⁄₃₂	—⅓₂
Nabors	9707	21⅜	20⅝	21	—⅛
EchoBay	8305	7	6⅝	6⅝	—⅛
Audvox	7074	6¹¹⁄₁₆	6⅜	6⅜	—¼
ViacB	5482	37⅛	36⅝	36½	—⅛
GayICn	5106	7⅛	6¹⁵⁄₁₆	7	—⅛
SFeGo pf	4515	¼	¼	¼	—¹⁄₁₆
KeyEng	4491	13⅞	13	13½	+⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	1387	1273
Declined	1185	1235
Unchanged	786	842
Total issues	3358	3350
New Highs	225	195
New Lows	15	23

Nasdaq

	Close	Prev.
Advanced	2053	2014
Declined	2021	2065
Unchanged	1656	1650
Total issues	5730	5729
New Highs	240	192
New Lows	54	66

AMEX

	Close	Prev.
Advanced	290	274
Declined	246	259
Unchanged	204	191
Total Issues	740	724
New Highs	37	32
New Lows	7	8

Market Sales

	Today Close	Prev. cons.
NYSE	443.48	649.32
Amex	23.50	41.34
Nasdaq	555.48	659.53

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
NY St E&G adjpf B	-	.3375	3-12	4-1
STOCK SPLIT				
Tyson Foods A&B 3 for 2 split.				
STOCK				
Northfrm Bk	-	5%	1-31	2-14
INCREASED				
Mid-Am Apartment	Q	.535	1-24	1-31
INITIAL				
Tyson Foods A n	-	.025	3-1	3-15
Tyson Foods B n	-	.0225	3-1	3-15
REGULAR				
Ameron Intl	Q	.32	1-23	2-18
Applied Pwr A	Q	.03	2-6	2-28
Assoc Fst Cap A	Q	.10	1-31	2-3
Banyan Strat Rlty	Q	.10	1-22	2-20
Equ FstEx AT&T	M	.231	1-15	2-1
Fortis Securities	M	.061	1-27	2-14
Hyperion 1999	M	.0396	1-20	1-30
Lilly Indust	Q	.08	3-11	4-1
NY St Elec&Gas	Q	.35	1-27	2-15
Northfrm Bk	Q	.05	1-20	1-30
Parker Parsley	S	.05	1-31	2-18
Phillips Petrol	Q	.32	2-3	3-3
SmithBarney Az A	M	.0445	1-28	1-31
SmithBarn AZ B	M	.0403	1-28	1-31
SmithBarn AZ C	M	.04	1-28	1-31
SmithBarn CA A	M	.071	1-28	1-31
SmithBarn CA B	M	.0645	1-28	1-31
SmithBarn CA C	M	.0638	1-28	1-31

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

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INTERNATIONAL FUTURES

Jan. 13, 1997

	High	Low	Close	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	2.68	2.65¼	2.67¼	+0.01¾	138,711
May 97	2.69½	2.66¾	2.68½	+0.01¾	56,611
Jul 97	2.70¼	2.67½	2.69½	+0.01½	53,855
Sep 97	2.65½	2.63½	2.64¼	+0.01	7,267
Dec 97	2.63¾	2.61¾	2.62¾	+0.00¼	37,733
Est. sales N.A. Fri's. sales 101,885					
Fri's open int 298,495 off 2838					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 97	239.00	235.80	238.70	+3.10	6,700
Mar 97	234.00	229.40	232.30	+2.80	35,799
May 97	231.00	227.30	229.00	-2.10	19,546
Jul 97	230.50	227.30	228.70	+2.10	15,561
Aug 97	228.50	226.00	226.80	+1.80	3,004
Sep 97	222.50	220.60	220.60	+1.10	2,528
Est. sales N.A. Fri's. sales 39,843					
Fri's open int 85,694 up 3720					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 97	24.92	24.40	24.65	+0.17	4,013
Mar 97	25.25	24.72	24.93	+0.17	48,640
May 97	25.55	25.05	25.21	+0.15	17,065
Jul 97	25.78	25.20	25.53	+0.17	11,895
Aug 97	25.85	25.45	25.65	+0.20	2,506
Sep 97	25.95	25.70	25.70	+0.18	2,241
Est. sales N.A. Fri's. sales 56,839					
Fri's open int 89,367 up 3519					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 97	7.38	7.26½	7.32¾	+0.06	4,642
Mar 97	7.41½	7.28½	7.36¾	+0.07½	70,409
May 97	7.42¼	7.29¼	7.37½	+0.07¼	29,210
Jul 97	7.44	7.30¾	7.39	+0.08¼	26,934
Aug 97	7.40½	7.32	7.35½	+0.06	4,420
Est. sales N.A. Fri's. sales 91,363					
Fri's open int 151,141 up 6873					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	3.91½	3.84	3.91	+0.04	32,067
May 97	3.77	3.69½	3.76¼	+0.06¼	8,429
Jul 97	3.61	3.54½	3.60¼	+0.06	22,254
Sep 97	3.63½	3.59	3.63½	+0.05	1,135
Est. sales N.A. Fri's. sales 27,927					
Fri's open int 64,908 up 1722					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 97	65.95	65.40	65.57	-0.05	31,334
Apr 97	66.92	66.37	66.62	-0.10	28,720
Jun 97	64.15	63.60	63.65	-0.42	12,132
Aug 97	64.15	63.72	63.87	-0.10	11,503
Oct 97	66.80	66.45	66.57	-0.03	7,191
Dec 97	68.22	67.95	68.12	+0.10	2,788
Est. sales N.A. Fri's. sales 19,057					
Fri's open int 94,493 up 287					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 97	68.70	68.40	68.55	-0.02	2,494
Mar 97	68.97	68.10	68.45	-0.25	7,021
Apr 97	69.00	68.30	68.70	-0.02	2,409
May 97	69.45	68.95	69.32	+0.02	3,485
Aug 97	71.50	71.20	71.45	+0.10	2,707
Sep 97	71.50	71.35	71.40	-0.05	421
Est. sales N.A. Fri's. sales 5,507					
Fri's open int 19,229 off 73					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Feb 97	78.20	77.10	77.12	-0.58	12,215
Apr 97	76.27	75.75	75.95	-0.35	8,407
Jun 97	79.55	79.00	79.17	-0.23	6,515
Jul 97	76.77	76.30	76.55	-0.10	1,416
Aug 97	73.95	73.60	73.85	-0.05	1,251
Oct 97	67.30	67.07	67.17	-0.05	1,271
Est. sales N.A. Fri's. sales 6,590					
Fri's open int 32,131 off 32					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	78.80	76.77	76.90	-1.10	4,122
Mar 97	78.55	76.65	76.75	-1.15	1,071
May 97	79.50	78.05	78.07	-0.78	1,166
Jul 97	79.10	77.65	78.15	-0.55	498
Aug 97	76.10	74.40	74.40	-0.25	327
Est. sales N.A. Fri's. sales 2,556					
Fri's open int 7,174 up 338					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 97	1340	1331	1336	+3	29,377
May 97	1363	1356	1360	+2	18,293
Jul 97	1385	1379	1381	+1	11,268
Sep 97	1403	1400	1402	+2	7,307
Dec 97	1419	1417	1417	-3	2,322
Est. sales 4,224 Fri's. sales 14,595					
Fri's open int 85,933 up 2654					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 97	119.30	117.80	118.45	-1.15	21,776
May 97	117.10	115.25	116.40	-1.00	7,478
Jul 97	115.25	114.00	114.30	-1.20	2,428
Sep 97	113.20	112.05	112.50	-0.95	2,024
Est. sales 8,360 Fri's. sales 6,863					
Fri's open int 35,609 up 470					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	10.61	10.44	10.49	-0.15	72,659
May 97	10.72	10.60	10.62	-0.12	32,075
Jul 97	10.67	10.57	10.58	-0.12	25,701
Oct 97	10.64	10.59	10.59	-0.08	15,431
Est. sales 26,388 Fri's. sales 99,006					
Fri's open int 153,907					
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jan 97	74.10	73.15	76.35	+2.25	302
Mar 97	79.65	76.40	79.55	+1.90	21,365
May 97	82.95	79.80	82.60	+1.75	5,192
Jul 97	85.50	82.25	85.50	+1.75	1,225
Est. sales N.A. Fri's. sales 2,291					
Fri's open int 28,810 up 179					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 97			358.70	-0.50	8
Feb 97	361.70	359.10	359.70	-0.50	96,723
Mar 97			360.60	-0.40	
Apr 97	363.50	361.00	361.60	-0.40	27,343
Jun 97	366.00	363.60	363.90	-0.50	17,658
Aug 97	367.00	367.00	366.30	-0.50	5,806
Oct 97	370.30	368.50	368.70	-0.50	3,149
Dec 97	372.80	370.50	371.20	-0.50	16,003
Est. sales N.A. Fri's. sales 29,485					
Fri's open int 203,637 off 2947					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jan 97	110.20	108.60	109.30	+0.80	4,357
Feb 97	108.50	107.10	107.60	+0.40	2,328
Mar 97	107.35	105.80	106.35	+0.25	26,412
Apr 97	104.40	104.40	104.45	+0.35	986
May 97	103.10	102.30	102.70	+0.50	5,783
Jun 97	102.00	102.00	101.70	+0.40	724
Jul 97	100.90	99.90	100.50	+0.90	4,272
Aug 97	99.40	99.40	99.55	+0.85	580
Sep 97	98.80	98.20	98.60	+1.00	2,400
Est. sales N.A. Fri's. sales 10,214					
Fri's open int 54,800 up 987					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 97			468.2	-4.6	6
Feb 97			469.8	-4.8	2
Mar 97	479.5	467.5	471.7	-4.8	61,994
May 97	484.0	473.0	476.2	-4.8	9,973
Jul 97	488.5	477.5	480.8	-4.8	8,472
Sep 97	489.0	485.0	485.4	-4.8	2,960
Dec 97	497.0	488.0	492.4	-4.8	5,013
Jan 98			495.2	-4.8	9
Est. sales N.A. Fri's. sales 14,802					
Fri's open int 90,858 off 444					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 97	364.50	362.00	363.00	-0.90	28
Apr 97	369.40	366.20	366.70	-2.10	19,279
Jul 97			369.80	-2.30	2,512
Oct 97	372.50	372.00	371.40	-2.40	2,184
Jan 98			373.80	-2.50	1,074
Est. sales N.A. Fri's. sales 2,109					
Fri's open int 25,077 off 143					

LONDON METALS (LME)
Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1585.00	1586.00	1566½	1567½
Forward	1617.00	1618.00	1596.00	1597.00
Copper Cathodes (High Grade)				
Spot	2450.00	2455.00	2410.00	2415.00
Forward	2266.00	2267.00	2261.00	2263.00
Lead				
Spot	681½	682½	689½	690½
Forward	691.00	692.00	697.00	698.00
Nickel				
Spot	7040.00	7050.00	7180.00	7190.00
Forward	7140.00	7150.00	7275.00	7280.00
Tin				
Spot	5895.00	5905.00	5810.00	5820.00
Forward	5940.00	5945.00	5860.00	5870.00
Zinc (Special High Grade)				
Spot	1044½	1045½	1048½	1049½
Forward	1067.00	1067½	1069½	1070.00

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	94.90	94.87	94.88		4,858
Jun 97	94.71	94.69	94.71	-0.01	2,717
Sep 97			94.48	-0.02	167
Est. sales N.A. Fri's. sales 1,184					
Fri's open int 7,742 up 69					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	105-305	105-245	105-27		170,280
Jun 97	105-19	105-165	105-18	+ 005	3,854
Est. sales N.A. Fri's. sales 81,689					
Fri's open int 174,134 up 8898					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	108-04	107-26	107-30		316,792
Jun 97	107-17	107-09	107-11		11,466
Sep 97			106-28		180
Est. sales N.A. Fri's. sales 130,550					
Fri's open int 328,438 up 8902					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	110-22	110-05	110-13	+ 02	464,517
Jun 97	110-05	109-21	109-28	+ 02	16,635
Sep 97	109-20	109-08	109-14	+ 02	5,292
Dec 97			109-00	+ 02	3,805
Est. sales N.A. Fri's. sales 630,853					
Fri's open int 490,387 up 13091					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar97	100.96	100.25	100.87	+ 0.80	219,390
Jun97	99.98	99.73	99.97	+ 0.80	4,073
Est. sales: 183,568. Prev. sales: 235,165					
Prev. open int.: 223,463 up 2,468					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar97	109-21	109-07	109-17	+ 0-18	130,761
Jun97	N.T.	N.T.	108-29	+ 0-18	
Est. sales: 38,491. Prev. sales: 99,087					
Prev. open int.: 130,849 off 8,472					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	129.84	128.90	129.66	+0.96	119,399
Jun 97	128.32	127.50	128.26	+0.96	10,578
Sep 97	126.62	125.82	126.58	+0.96	100
Dec 97	N.T.	N.T.	96.02	+0.96	0
Est. volume: 163,294. Open int.: 130,077 up 1,766.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar97	130.40	129.20	130.22	+ 1.53	91,012
Jun97	129.45	129.18	129.95	+ 1.55	1,758
Est. sales: 61,677. Prev. sales: 60,075					
Prev. open int.: 92,770 off 3,282					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Jan 97	94.410	94.410	94.410	-5	20,711
Feb 97	94.390	94.370	94.370		6,801
Mar 97	94.350	94.320	94.330	-10	419,093
Jun 97	94.150	94.110	94.120		365,973
Mar 00	93.160	93.120	93.130	+10	38,403
Jun 00	93.100	93.060	93.070	+10	35,048
Sep 00	93.050	93.010	93.020	+10	30,943
Dec 00	92.970	92.930	92.940	+10	24,450
Est. sales N.A. Fri's. sales 868,018					
Fri's open int 2,193,438 up 55855					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 97	1.6810	1.6636	1.6718	-32	39,983
Jun 97	1.6700	1.6620	1.6680	-32	2,230
Sep 97			1.6640	-32	1,027
Dec 97			1.6600	-32	7
Est. sales N.A. Fri's. sales 16,084					
Fri's open int 43,247 off 1310					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 97	.7457	.7440	.7452	+6	41,337
Jun 97	.7500	.7481	.7492	+6	8,058
Sep 97	.7530	.7520	.7527	+6	3,434
Dec 97	.7568	.7549	.7560	+6	364
Est. sales N.A. Fri's. sales 6,927					
Fri's open int 53,179 off 1051					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 97	.6349	.6305	.6324	-14	67,856
Jun 97	.6370	.6350	.6365	-13	5,165
Sep 97	.6402	.6395	.6408	-13	1,375
Dec 97			.6452	-13	18
Est. sales N.A. Fri's. sales 24,756					
Fri's open int 74,814 up 1282					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 97	.008700	.008655	.008670	-26	68,391
Jun 97	.008800	.008777	.008785	-26	1,911
Sep 97			.008903	-26	354
Est. sales N.A. Fri's. sales 17,332					
Fri's open int 70,753 up 1103					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 97	.7329	.7291	.7319	-2	48,637
Jun 97	.7395	.7365	.7388	-1	1,656
Sep 97			.7459		2,085
Est. sales N.A. Fri's. sales 18,528					
Fri's open int 52,319 up 2152					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Feb97	96.90	96.89	96.89	- 0.01	0
Mar97	96.91	96.89	96.90	+ 0.01	221,627
Apr97	96.91	96.90	96.91	+ 0.01	0
Jun97	96.90	96.87	96.90	+ 0.03	177,025
Sep97	96.82	96.78	96.81	+ 0.04	142,601
Dec97	96.66	96.59	96.64	+ 0.06	134,461
Mar98	96.47	96.41	96.46	+ 0.08	94,115
Jun98	96.23	96.16	96.22	+ 0.09	81,308
Sep98	95.95	95.87	95.94	+ 0.10	67,413
Dec98	95.65	95.59	95.64	+ 0.10	57,868
Mar99	95.37	95.31	95.37	+ 0.11	39,632
Jun99	95.11	95.03	95.10	+ 0.11	22,104
Sep99	94.84	94.77	94.83	+ 0.11	14,770
Dec99	94.57	94.47	94.57	+ 0.12	4,303
Est. sales: 139,033. Prev. sales: 183,762					
Prev. open int.: 1,057,547 up 29,633					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar97	93.48	93.44	93.47	+ 0.02	93,767
Jun97	93.25	93.20	93.23	+ 0.05	82,538
Sep97	93.01	92.95	92.99	+ 0.05	56,434
Dec97	92.83	92.77	92.82	+ 0.07	46,816
Mar98	92.72	92.66	92.71	+ 0.07	33,736
Jun98	92.65	92.59	92.64	+ 0.08	26,679
Sep98	92.57	92.54	92.56	+ 0.06	18,468
Dec98	92.49	92.48	92.49	+ 0.07	15,672
Mar99	92.43	92.39	92.42	+ 0.07	7,894
Jun99	92.36	92.32	92.34	+ 0.06	5,453
Sep99	92.28	92.27	92.28	+ 0.08	5,172
Dec99	92.24	92.24	92.24	+ 0.06	2,079
Est. sales: 79,794. Prev. sales: 112,898					
Prev. open int.: 394,094 off 3,740					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 97	96.82	96.78	96.82	+0.04	83,072
Jun 97	96.86	96.80	96.85	+0.06	41,415
Sep 97	96.81	96.75	96.80	+0.05	29,094
Dec 97	96.72	96.66	96.70	+0.07	21,300
Mar 98	96.55	96.44	96.55	+0.09	15,135
Jun 98	96.35	96.27	96.33	+0.09	12,316
Sep 98	96.11	96.04	96.10	+0.10	10,725
Dec 98	95.84	95.71	95.84	+0.13	8,612
Mar 99	95.56	95.53	95.55	+0.14	11,333
Jun 99	95.26	95.21	95.26	+0.14	5,509
Sep 99	95.01	94.86	94.99	+0.14	2,196
Dec 99	94.67	94.67	94.72	+0.13	1,021
Est. volume: 42,785. Open int.: 241,928 off 1,676.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar97	93.51	93.40	93.51	+ 0.11	103,315
Jun97	94.04	93.90	94.03	+ 0.14	63,211
Sep97	94.30	94.16	94.30	+ 0.17	34,895
Dec97	94.40	94.23	94.37	+ 0.18	20,372
Mar98	94.38	94.26	94.37	+ 0.19	12,832
Jun98	94.32	94.19	94.35	+ 0.20	4,421
Est. sales: 42,797. Prev. sales: 43,508					
Prev. open int.: 239,044 up 5,065					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	74.30	73.45	74.18	+0.41	23,452
May 97	75.70	74.95	75.65	+0.45	14,741
Jul 97	76.75	76.03	76.63	+0.38	7,640
Oct 97	76.65	76.50	76.65	+0.34	1,354
Dec 97	76.60	76.05	76.60	-0.49	9,775
Mar 98	77.30	77.15	77.49	+0.46	454
Est. sales N.A. Fri's. sales 9,557					
Fri's open int 57,859 up 200					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 97	73.70	69.60	69.60	-2.55	41,723
Mar 97	71.60	68.10	68.10	-2.05	19,144
Apr 97	67.95	65.15	65.20	-1.48	8,040
May 97	64.60	62.20	62.20	-1.28	4,493
Jun 97	62.30	60.00	60.00	-1.28	5,743
Jul 97	61.10	61.10	61.30	+0.82	3,485
Aug 97	60.60	60.60	60.60	-0.32	2,971
Sep 97	60.40	60.40	60.40	-0.72	2,865
Nov 97	60.50	60.50	60.50	-0.53	1,336
Dec 97	60.80	60.80	60.80	-0.48	3,874
Est. sales N.A. Fri's. sales 29,020					
Fri's open int 108,976 off 348					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Feb 97	26.59	25.16	25.20	-0.89	77,558
Mar 97	25.89	24.66	24.68	-0.81	58,718
Apr 97	25.22	24.10	24.10	-0.74	33,221
May 97	24.50	23.55	23.55	-0.64	20,695
Jun 97	23.88	22.98	22.98	-0.57	31,623
Jul 97	23.19	22.35	22.45	-0.53	14,960
Aug 97	22.75	22.68	22.68	+0.20	13,770
Sep 97	22.26	21.60	21.64	-0.39	14,027
Oct 97	21.81	21.35	21.35	-0.26	9,020
Nov 97	21.50	21.50	21.50	+0.26	8,270
Dec 97	21.25	20.55	20.60	-0.33	23,269
Feb 98	20.70	20.69	20.70	+0.24	7,108
Mar 98	20.50	20.00	20.00	-0.26	2,146
Est. sales N.A. Fri's. sales 91,881					
Fri's open int 380,769 off 3190					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Feb 97	3.380	3.190	3.230	-86	27,696
Mar 97	2.920	2.768	2.858	+1	25,774
Apr 97	2.510	2.400	2.445	-35	12,432
May 97	2.290	2.215	2.250		10,767
Jun 97	2.230	2.170	2.170	-20	8,305
Jul 97	2.190	2.155	2.140	-10	7,490
Aug 97	2.190	2.150	2.150	-15	6,993
Sep 97	2.190	2.150	2.150	-15	6,426
Oct 97	2.198	2.155	2.155	-15	6,937
Nov 97	2.300	2.260	2.265	-15	3,905
Dec 97	2.430	2.390	2.390	-20	7,198
Est. sales N.A. Fri's. sales 49,747					
Fri's open int 155,319 off 3703					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 97	71.30	68.00	68.00	-2.36	31,905
Mar 97	71.60	68.20	68.40	-2.16	15,283
Apr 97	73.00	70.40	70.70	-1.59	7,716
May 97	72.20	70.05	70.30	-1.35	5,371
Jun 97	70.80	69.30	69.30	-0.90	3,848
Aug 97	65.75	65.75	65.75	-0.60	434
Est. sales N.A. Fri's. sales 22,533					
Fri's open int 66,336 up 145					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 97	227.50	218.00	219.00	-7.25	26,453
Mar 97	218.00	210.00	211.00	-6.25	11,306
Apr 97	208.00	202.25	202.25	-3.75	8,312
May 97	200.25	198.50	196.25	-2.25	3,892
Jun 97	194.25	193.00	190.25	-2.75	7,378
Jul 97	191.50	191.50	188.25	-3.00	2,518
Aug 97	N.T.	N.T.	187.25	-3.00	1,056
Sept 97	190.00	190.00	186.25	-3.25	495
Oct 97	188.00	188.00	185.50	-3.25	831
Nov 97	N.T.	N.T.	184.75	-3.50	370
Dec 97	186.00	186.00	184.00	-4.00	2,259
Est. sales: 16,366. Open int.: 65,213 off 6,812					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Feb 97	24.40	22.47	23.48	-0.86	33,705
Mar 97	24.15	23.10	23.14	-0.70	50,847
Apr 97	23.57	22.62	22.65	-0.59	17,265
May 97	23.12	22.18	22.14	-0.54	12,302
June 97	22.41	21.60	21.64	-0.50	17,307
July 97	21.85	21.78	21.15	-0.46	10,976
Aug 97	21.40	21.30	20.70	-0.45	2,576
Sep 97	N.T.	N.T.	20.31	-0.45	5,571
Oct 97	20.60	20.58	19.94	-0.45	3,296
Nov 97	N.T.	N.T.	19.64	-0.45	2,477
Est. sales: 47,167. Open int.: 160,299 off 1,062					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	769.40	761.20	762.70	-3.90	188,443
Jun 97	775.50	768.50	770.25	-3.35	7,888
Sep 97	783.00	776.20	777.30	-4.00	1,580
Dec 97	790.50	783.30	784.40	-2.20	623
Est. sales N.A. Fri's. sales 91,734					
Fri's open int 198,734 off 2453					
FTSE 100 (LIFFE) £25 per index point					
Mar97	4114.0	4080.0	4111.0	+ 58.0	58,462
Jun97	N.T.	N.T.	4134.0	+ 58.0	2,076
Sep97	4148.0	4147.0	4160.0	+ 57.0	1,382
Est. sales: 12,358. Prev. sales: 15,937					
Prev. open int.: 62,738 up 428					
CAC 40 (MATIF) FF200 per index point					
Jan 97	2377.0	2361.0	2367.5	+36.50	22,812
Feb 97	2380.0	2365.0	2372.0	+36.50	3,788
Mar 97	2385.0	2371.0	2377.5	+36.50	16,428
Jun 97	2346.0	2338.0	2339.0	+36.50	1,276
Sep 97	2350.0	2344.5	2349.0	+36.50	6,276
Mar 98	N.T.	N.T.	2386.0	+36.50	4,793
Sep 98	N.T.	N.T.	2361.0	+36.50	640
Est. volume 14,226. Open int.: 56,033 up 41					

Commodity Indexes

	Close	Previous
Moody's	1,449.80	1,443.70
Reuters	1,896.10	1,897.80
D.J. Futures	149.22	149.30
CRB	241.40	241.50

European Stock Markets Surge

Strong Showing by Tokyo Leads Bourses to Records

Compiled by Our Staff From Dispatches

LONDON — European stock markets rose strongly Monday, with bourses moving into record territory after Tokyo staged a rebound and U.S. shares reached a record Friday.

The main Belgian, French, Spanish, Swedish and Swiss stock indexes all closed at record highs.

Markets in Europe were reassured when Tokyo shares jumped 4.7 percent after sharp losses last week. The recovery in the Nikkei 225-stock average helped stem worries that Japanese institutions could be forced to liquidate overseas bond and equity holdings to raise their capital ratios.

France's CAC-40 index hit a closing high of 2,361.27 points, surpassing the record of 2,355.93 set Feb. 2, 1994, and underlining the recent strength of the French market, which had lagged its main European counterparts. The index rose 1.45 percent in a rally fueled by expectations of higher French corporate earnings this year.

"The fundamentals are good for the bourse, and they haven't changed — interest rates are low, corporate profits are expected to rise on moderate economic growth, productivity is improving, and exchange rates are favorable with the franc's decline against the Italian lira, British sterling and dollar," George de Nesmeskery Kiss, an economist at Societe Generale, said.

A strong dollar also helped lift shares of exporters such as Daimler-Benz AG in Germany and Glaxo Wellcome PLC of Britain, while bank shares gained from higher bond prices and expectations that lower interest rates will increase profits from lending. Renault shares rose 4.15 percent to 113 francs ($21.23) after Chairman Louis Schweitzer said he hoped the company's car operation's would break even this year.

The 30-share DAX index in Frankfurt ended floor trading up 21.56 points, or 0.73 percent, at 2,954.95.

British shares also closed sharply higher, buoyed by subdued producer-prices data that reduced fears of higher interest rates. The Financial Times-Stock Exchange 100-share index rose 50.7 points to 4,107.30. In other markets, Stockholm rose 1.98 percent to 2,597.81, Zurich rose 0.90 percent to 2,549.31. Madrid was up 1.41 percent at 464.16, and Brussels gained 1.57 percent to 1,976.56. *(AFP, Reuters)*

Bank Sale Lifts Austrian Bourse

Reuters

VIENNA — Share prices jumped Monday as investors welcomed the sale of Creditanstalt Bankverein AG to Bank Austria AG despite doubts about the potential benefits of the formation of a new superbank.

The ATX index of 21 blue-chip stocks jumped more than 2 percent in reaction to the sale agreement. Investors scrambled to pick up shares of Creditanstalt, pushing its preference stock up 16.80 schillings ($1.50) to 495 and the bank's common shares up 9 to 729.50. Bank Austria, which said Sunday it expected its earnings per share to double over the next five years as a result of the deal, was up 5 at 406.

Creditanstalt's nonexecutive supervisory board chairman, Walter Fremuth, offered his resignation to the bank's new majority owner and said it was up to the executive board to determine whether it wanted to stay on or put up their jobs for grabs as well.

Analysts said the 17.2 billion schilling agreement to create the banking giant was likely to be followed by a flurry of takeovers in the country's traditionally crowded financial sector.

Gehe Wins U.K. Drug Fight

Bloomberg Business News

LONDON — Gehe AG of Germany won a yearlong battle for Lloyds Chemists PLC on Monday, giving the German drug wholesaler a strong position in Britain's retail pharmaceuticals market.

Gehe raised its stake in Lloyds Chemists to more than 50 percent minutes after its rival, UniChem PLC, said it would not counterbid, as expected. Lloyds Chemists recommended that its shareholders accept the £684.1 million ($1.15 billion) cash bid from Gehe, which was 10 percent higher than that of UniChem. Gehe's victory in the bidding war added about 924 pharmacies to its chain of 300 stores, putting it on a par with Boots Co., which has more than 1,200 stores. Gehe will control about 40 percent of the British drug wholesaling market, in which UniChem will be the second-largest player.

"UniChem was outgunned by a stronger bidder," Tony Cooper of Greig Middleton & Co. said. If UniChem had offered more cash, he said, it would have "wrecked their balance sheet," and if it had offered more new shares, its existing capital would have been excessively diluted.

Ladbroke-Hilton Pact Set

Reuters

LONDON — Ladbroke Group PLC concluded a long-awaited global alliance Monday with Hilton Hotels Corp. of the United States, reuniting the Hilton brand worldwide for the first time in 32 years.

Despite the tie-up, which covers 400 hotels in 49 countries, the two companies denied there were plans for a full merger. Ladbroke has owned Hilton International since 1964, when it was spun off from Hilton Hotels, and Ladbroke has held the right to build Hilton hotels outside the United States.

"We're taking a first step in bringing the hotels' business much closer," the chief executive of Ladbroke, Peter George, said. "We're putting the relationship back together, and who knows what may come of it?" Shares in Ladbroke were up 1 pence at the close in London, to 232 ($3.89). At the close of trading in New York, Hilton Hotels shares were unchanged at $25.50.

Stephen Bollenbach, chief executive of Hilton Hotels, said, "From our customers' point of view, this will look as if it's one company for the first time in 32 years."

Kirch Move on SAT-1 Signals a Shake-Up In German Television

Bloomberg Business News

FRANKFURT — Kirch Group's recent move to take a majority stake in SAT-1, one of Germany's top private broadcasters, signals a shake-up and consolidation in German television holdings prompted by a more relaxed ownership law, analysts say.

At the beginning of the year, Germany dropped regulations designed to prevent media ownership from being concentrated in a few hands. The revised law ended restrictions preventing an individual or company from owning a majority stake in a private broadcaster, freeing Kirch to seek control of SAT-1. Consolidation in the German television industry could help simplify the ownership structures of the country's private broadcasters, many of whom struggle to make headway against popular government-subsidized broadcasters.

Broadcasters, under the new law, will be 'more flexible and faster.'

"I'm in favor of it," said Friedrich Schellmoser, an analyst at Hypo-Bank in Munich. "Broadcasters will be more flexible and faster. They will have a clearer profile in the market. I expect that profits will also be better."

The new rules still try to prevent concentration of media power by barring any private broadcaster from capturing more than a 30 percent share of the total market. Because no broadcaster has anywhere near that share, however, the restriction has no immediate impact. All in all, Germany's media law ranks among the most liberal in Europe, Mr. Schellmoser said.

"It obviously makes sense to have a clearer shareholder structure," a Bertelsmann TV spokesman said. "The new law makes it possible."

Kirch Group is a media empire based in Bavaria and closely held by Leo Kirch, the sole member of the management board.

The company is wasting no time in taking advantage of the new law. Besides moving to raise its stake in SAT-1 Satelliten Fernsehen GmbH to 59 percent from 43 percent, Kirch also recently bought a 24.9 percent stake in the sports channel DSF from Axel Springer Verlag AG, raising its total to 49.4 percent.

Kirch's plan to take control of SAT-1 is being resisted by Springer, which holds 40 percent of the broadcaster.

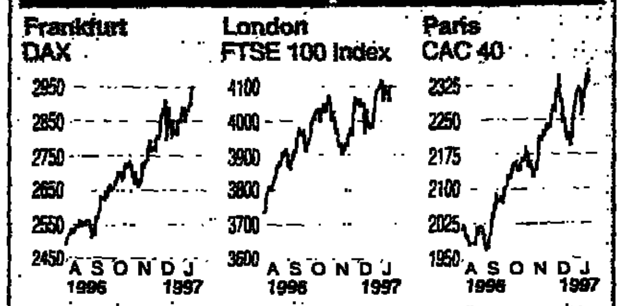
The SAT-1 contract, in a provision typical of the industry, gives Springer veto power over any changes in the company's holdings. Although it has not opposed the Kirch bid outright, Springer has issued a statement warning that its approval is needed. Kirch also is holding talks to change the ownership structure of Premiere, the pay-TV channel owned by Kirch, Bertelsmann AG and Canal Plus SA of France. Kirch could emerge with a majority.

Still more changes, meanwhile, are afoot in the German television industry. On Tuesday, Audiofina's Compagnie Luxembourgeoise de Telediffusion is expected to announce a merger with Bertelsmann's television business to form CLT-Ufa, Europe's biggest television company. The new company is to get 89 percent of RTL, Germany's top-rated broadcaster.

The agreement, which combines stakes that belong to Bertelsmann and CLT, could lead to an agreement uniting two other private broadcasters in which CLT-Ufa also holds stakes — RTL2 and Super RTL — into an RTL family.

Bertelsmann, meanwhile, said a report that Walt Disney Co. was threatening to withhold programs unless it got a stake in CLT-Ufa and a bigger stake in RTL was "nonsense." Disney has a minority stake in RTL and a 50 percent share of Super RTL.

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	EOE	652.76	646.69	+0.94
Brussels	BEL-20	1,976.56	1,945.99	+1.57
Frankfurt	DAX	2,954.95	2,933.39	+0.73
Copenhagen	Stock Market	497.50	491.98	+1.12
Helsinki	HEX General	2,668.57	2,623.39	+1.72
Oslo	OBX	561.38	555.13	+1.13
London	FTSE 100	4,107.30	4,056.60	+1.25
Madrid	Stock Exchange	464.16	457.71	+1.41
Milan	MIBTEL	11,676.00	11,418.00	+2.26
Paris	CAC 40	2,361.27	2,327.50	+1.45
Stockholm	SX 16	2,597.81	2,547.40	+1.98
Vienna	ATX	1,167.43	1,130.04	+3.31
Zurich	SPI	2,549.31	2,526.61	+0.90

Source: Telekurs International Herald Tribune

Very briefly:

- **Daimler-Benz AG** sold its postal-automation unit to **Siemens AG**. Terms were not disclosed.
- **Metallgesellschaft AG** will buy 49.99 percent of **AGIV AG**, a holding company with interests in machinery and construction, from **BHF-Bank AG**. The companies did not disclose the sale price.
- **Zurich Insurance Co.** plans to buy the 34 percent it does not already own of **Zurich Reinsurance Center Holdings Inc.** for $323 million.
- **AO Lukoil Holding**'s pretax profit rose 8.8 percent last year on higher production and sales, to 3.7 trillion rubles ($661 million) from 3.4 trillion rubles in 1995.
- **Snecma** of France, the state-owned aircraft-engine maker, expects to report a 1996 loss of less than 500 million francs ($94 million), about half its 1995 loss.
- **Elf Aquitaine SA** signed a 30-year contract with Azerbaijan to find and produce oil in the Caspian Sea. *Bloomberg*

Sears to Sell Catalog Unit

Compiled by Our Staff From Dispatches

LONDON — Sears PLC said Monday it would sell its Freemans mail-order catalog unit to Littlewoods Organization for £395 million ($663.7 million), a move viewed as an effort to shore up profit and margins.

In an another apparent effort to assuage shareholders who have seen their investment in the company fall 5 percent in value in five years, Sears' chief executive, Liam Strong, promised to return £410 million to investors in the form of special dividends or stock buybacks. But analysts said investors wanted more radical solutions, such as selling struggling British Shoe Corp. or spinning off Selfridges, the company's star profit performer. Sears' stock closed flat at 88 pence. *(Bloomberg, Reuters)*

The Trib Index

Closing prices.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	149.68	+1.30	+0.88	+13.51
Regional Indexes				
Asia/Pacific	117.18	+2.89	+2.53	-12.72
Europe	160.68	+1.86	+1.17	+15.45
N. America	167.40	-0.43	-0.26	+30.50
S. America	122.11	-0.49	-0.40	+37.14
Industrial Indexes				
Capital goods	175.35	+0.83	+0.48	+31.86
Consumer goods	161.84	+0.91	+0.57	+17.22
Energy	175.35	-0.23	-0.13	+29.30
Finance	113.11	+2.81	+2.55	-11.10
Miscellaneous	161.71	+0.47	+0.29	+19.07
Raw Materials	177.54	+1.54	+0.87	+25.20
Service	137.73	+0.18	+0.13	+14.77
Utilities	144.09	+2.23	+1.57	+13.33

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg Business News.

WORLD STOCK MARKETS

Monday, Jan. 13

Prices in local currencies.

Telekurs

Amsterdam

AEX Index: 652.76 Previous: 646.69

	High	Low	Close	Prev.
ABN-AMRO	113.10	112	112.60	111.50
Aegon	112.20	111.10	111.50	111.30
Ahold	107.40	106	106.80	105.50
Akzo Nobel	249.10	247.30	248.50	247.10
Baan Co.	73	71	72	71.90
Bols Wess cva	31.40	31.20	31.30	31.30
CSM cva	94.80	93.70	94.50	93.90
Dordtsche Pet	331.50	328	329.60	325.50
DSM	172.80	171.10	171.10	170.70
Elsevier	27.80	27.10	27.40	27.70
Fortis Amev	62.90	61.50	62	61.40
Getronics	52	50.10	51.60	50.10
G-Brocades cva	55.50	52.40	53.50	52.30
Hagemeyer	144.50	140.30	143.10	139.60
Heineken	309	305.50	308.60	304.80
Hoogovens cva	69.70	69	69.10	68.80
Hunt Douglas	121.50	120	120	121
ING Group	64.80	63.90	64.40	63.60
KLM	48.30	47.70	47.70	48
KNP BT	37.70	37.30	37.60	37.20
KPN	65	63.90	64.80	63.60
Nedlloyd Gp	48.20	46.80	48.10	47.30
Nutricia	263.60	261	261.40	261
Oce Grinten	200.80	197.60	198.50	194.40
Philips Elec	74.60	73.70	73.80	73.10
Polygram	85.60	82.20	83	84.60
Randstad Hdg	137	133.20	135	130.90
Robeco	146	145.50	145.50	142.20
Rodamco	50.40	50.10	50.40	50.20
Rolinco	152.80	152.80	152.80	149.50
Rorento	106.70	106.50	106.60	106
Royal Dutch	311.50	309	309.70	306.90
Unilever cva	302.80	298.30	302.50	297.50
Vendex Intl	81.50	79.90	80.70	80.40
VNU	38.40	37.30	38.50	37.20
Wolters Kl cva	221.50	219.50	219.50	219.50

Bangkok

SET Index: 822.89 Previous: 848.59

	High	Low	Close	Prev.
Adv Info Svc	272	258	270	272
Bangkok Bk F	266	246	246	264
Krung Thai Bk	56.50	51.50	52.50	55.50
PTT Explor	390	382	390	388
Siam Cement F	840	776	780	816
Siam Com Bk F	202	191	191	199
Telecomasia	52	48.75	50	52
Thai Airways	39.50	37.75	39	39.50
Thai Farm Bk F	187	168	169	188
Utd Comm	187	177	180	187

Bombay

Sensex 30 index: 3453.16 Previous: 3478.32

	High	Low	Close	Prev.
Bajaj Auto	984	955	974.50	980.50
Hindust Lever	889	875	882.75	892.50
Hindust Petm	369.75	354	365	360
Ind Dev Bk	109	106	106.75	109.75
ITC	363	344.50	363	345.75
Mahanagar Tel	259.50	249.50	256	249
Reliance Ind	224	218.75	223.50	221
State Bk India	254.25	249.75	252.75	253.50
Steel Authority	23.75	22.25	23.75	23.50
Tata Eng Loco	356	350.25	354.50	353.75

Brussels

BEL-20 index: 1976.56 Previous: 1945.99

	High	Low	Close	Prev.
Almanij	10850	10800	10850	10750
Barco Ind	5340	5270	5310	5240
BBL	4850	4800	4830	4800
Bekaert	19700	19525	19825	19600
CBR	3140	3120	3125	3110
CMB	2020	2000	2005	2010
Cobepa	1240	1232	1238	1236
Cockerill	121	115	116	120
Colruyt	14875	14000	14025	13950
Delhaize Lion	2035	2010	2035	1985
Electrabel	7800	7660	7720	7620
Electrafina	3095	3070	3090	3070
Fortis AG	5480	5360	5450	5340
Gevaert	2260	2220	2240	2215
GIB	1515	1500	1500	1505
GBL	4330	4250	4300	4250
Gen Banque	11775	11625	11725	11675
Kredietbank	10700	10450	10650	10400
Petrofina	11275	11000	11225	11000
Powerfin	4765	4730	4750	4730
Royale Belge	7010	6950	7000	6920
Soc Gen Belg	2540	2520	2525	2515
Solvay	22000	20825	21875	20600
Tractebel	14800	14700	14750	14725
UCB	87500	86000	86300	85000
Union Miniere	2135	2120	2135	2125

Copenhagen

Stock Index: 497.50 Previous: 491.98

	High	Low	Close	Prev.
BG Bank	303	298	301	300
Carlsberg B	396	391	394	392
Codan Foss	845	840	840	834
Danisco	364	356	363	356
Den Danske Bk	490	478.48	490	483
D/S Svendbrg B	258000	246458	255000	246500
D/S 1912 B	180000	170000	179000	171000
FLS Ind B	810	775	805	798
Kob Lufthavne	667	650	660	650
Nvo Nordisk B	551	538	545	535
Sophus Ber B	776	765	773	768
Tele Danmk B	337	326.33	336	327
Tryg Baltica	323	317	320	320
Unidanmark A	328.39	328	337	331

Frankfurt

DAX: 2954.95 Previous: 2933.39

	High	Low	Close	Prev.
AMB B	995	995	995	970
Adidas	143.50	137.10	138.50	143.50
Allianz Hdg	2748	2723	2728	2748
Altana	1299	1260	1299	1255
Bk Berlin	31.30	31	31.15	30.99
BASF	59.80	58.65	59.20	57.50
Bayer Hypo Bk	48.10	47.55	47.97	47.67
Bay. Vereinsbank	61.50	60.65	60.75	61.65
Bayer	61.50	60.95	61.10	60.45
Beiersdorf	85	80	84.80	[illegible]
BMW	1080	1075	1075	1078
Commerzbank	42.50	41.90	42.02	42.05
Daimler Benz	114.40	113.10	113.55	111.80
Degussa	710	702.50	702.50	687.50
Deutsche Bank	77.32	76.60	76.66	76.28
Deut Telekom	30.82	30.30	30.45	30.52
Dresdner Bank	49.15	49	49.10	48.83
Fresenius	308	303	308	305
Fresenius Med	137.90	137.25	137.25	139
Fried. Krupp	249	246	246.50	245.10
Gehe	110	98.30	105.50	96
Heidelbg Zmt	128	127	127.50	128
Henkel pfd	85	82	84.30	82
Hochtief	64.50	63.80	64	63.30
Hoechst	70.65	69.65	70.40	68.70
Karstadt	507	499	500	502
Linde	1035	1001	1035	998
Lufthansa	22.20	21.85	21.85	21.85
MAN	489	487	487.50	484
Mannesmann	681	678	680.30	673.50
Metallgesellschaft	34.25	33.40	34	32.90
Metro	123	122	122.60	123.50
Munich Rueck R	3635	3620	3632	3628
Preussag	389.80	388	388.50	384
RWE	68.40	68	68.05	67
SAP pfd	223	220	220	220.20
Schering	136.60	135.80	136.35	134.70
Siemens	77.78	77.30	77.35	77.78
Thyssen	287	283.50	287	282.30
Veba	93.10	92.70	93.10	92.20
VEW	499	495	495	500
Viag	664	657.50	663	644.50
Volkswagen	714.50	712	713.50	712

Helsinki

HEX General Index: 2668.57 Previous: 2623.39

	High	Low	Close	Prev.
Cultor 1	241.10	241.10	241.10	241
Enso A	39.50	38.50	39.50	38.70
Huhtamaki I	227	219.50	226	228
Kemira	57.30	57	57.20	56.70
Kesko	67.40	66	67.30	66
Merita A	15.30	14.50	15.30	14.40
Metra B	265	262	265	262
Metsa-Serla B	37	36.40	37	36
Neste	119	117	118.50	115
Nokia A	301	297	297.50	297
Orion-Yhtymae	181	178	180.50	177
Outokumpu A	80.30	78	80.10	78
Rautaruukki	45.10	44	45.10	43.60
Sampo Insur	389	380	389	376
UPM-Kymmene	102	99.40	102	98.20
Valmet	81.50	80.90	81.50	80

Hong Kong

Hang Seng: 13289.21 Previous: 13191.58

	High	Low	Close	Prev.
Amoy Props	10.90	10.70	10.90	10.85
Bk East Asia	36.30	34.70	36.30	34.70
Cathay Pacific	12.10	11.90	12.10	11.85
Cheung Kong	72	70.25	71.75	71.50
CK Infrastruct	21.80	21.40	21.80	21.45
China Light	33.90	33.60	33.70	33.40
China Ostas Ld	3.85	3.75	3.78	3.78
China Res Ent	14.70	14.05	14.70	14.20
Chin Estates	8.50	8.30	8.40	8.35
Citic Pacific	41	39.30	40.90	39.40
Cons Elec Pwr	N.T.	N.T.	N.T.	18.25
Cosco Pacific	8.60	8.40	8.50	8.65
Dao Heng Bk	39.30	39	39.20	39.20
First Pacific	9.90	9.50	9.80	9.55
Great Eagle	33.20	32.90	33.10	32.80
Guangdong Inv	7.25	7.10	7.10	7.15
Guoco Group	45	44.90	44.90	45
Hang Lung Dev	16	15.80	16	15.80
Hang Seng Bk	93.50	90	93	92.75
Henderson Inv	8.75	8.65	8.75	8.80
Henderson Ld	72.25	71	72	72.25
HKR Intl	12.65	12.15	12.25	12.60
HK China Gas	15	14.90	14.90	14.80
HK Electric	27.40	27.05	27.30	27.05
HK Shang Htls	14.50	14.10	14.30	14.10
HK Telecomm	13.45	13.25	13.35	13.30
Hopewell Hdgs	4.98	4.75	4.93	4.83
HSBC Hdgs	170.50	167	169.50	168
Hutchison Wh	58	55.75	57.25	54.75
Hysan Dev	29.30	28.80	28.85	29.15
Johnson El Hdg	21.50	21.35	21.35	21.50
Kerry Props	20	19.50	19.55	20
Natl Mutual	7.30	7.20	7.20	7.25
New World Dev	50.25	49.20	50	50.25
N World Infrastr	22	20.65	21.40	21.90
Oriental Press	3.58	3.50	3.50	3.55
Pearl Oriental	5.05	4.90	4.90	5.05
Shanghai Indus	27.40	27	27.25	27.20
Shangri-La Asia	11.60	11.45	11.45	11.50
SHK Props	91.25	89.50	90.75	91.75
Shun Tak Hdgs	5.25	5.15	5.25	5.15
Sino Land Co.	9.05	8.80	9.05	8.75
Sth China Post	6.45	6.40	6.45	6.45
Swire Pac A	71.75	70	70.50	70.75
Tsim Sha Tsui	17.40	17.20	17.40	17.20
TV Broadcasts	32.30	31.40	32.30	31.40
Wharf Hdgs	38	37.60	37.90	38
Wheelock	21.65	21.05	21.35	21.10

Jakarta

Composite index: 656.89 Previous: 657.87

	High	Low	Close	Prev.
Astra Intl	5725	5550	5625	5500
Bk Intl Indon	1800	1750	1775	1775
Bk Negara	1300	1275	1275	1300
Gudang Garm	11725	11550	11550	11700
Indocement	3575	3575	3575	3575
Indofood	4850	4850	4850	4875
Indosat	6475	6625	6625	6700
Sampoerna HM	13450	13125	13150	13300
Semen Gresik	7425	7325	7325	7300
Telekomunikasi	4225	4200	4200	4200

Johannesburg

All Market: 6758.56 Previous: 6674.56

	High	Low	Close	Prev.
Amalgamtd Bks	25.15	24.70	25	24.70
AngloAm Coal	341.50	341.25	341.25	341.50
AngloAm Corp	260	259	260	258
AngloAm Gold	350	347	349	345
AngloAm Ind	168	166.75	167	166
Barlow	47.25	46	47	45.30
C.G. Smith	24.10	23	23.50	23
De Beers	134	130.50	134	130.25
Driefontein	46.25	45	46.25	45
Fst Natl Bk	24	23.60	23.65	23.50
Gencor	18.20	17.80	17.95	17.60
GFSA	121.75	121	121.75	121
Iscor	3.78	3.70	3.75	3.68
Liberty Hdgs	223.75	222	223.25	224
Liberty Life	120.25	119.25	120.25	119
Minorco	102	100	102	98.75
Nampak	19.70	19.20	19.50	19.50
Nedcor	66.25	65.25	66.25	65.25
Rembrandt Gp	43.15	42.75	42.75	42.90
Richemont	65.50	65	65.50	64.50
Rust Platinum	64.50	63.50	64	65.50
SA Breweries	123.75	122.25	123.50	121.75
Samancor	52	52	52	52
Sasol	56.25	55.50	56.25	55.25
SBIC	185	184.50	185	184.50
Tiger Oats	66.75	66.50	66.75	66

Kuala Lumpur

Composite: 1238.38 Previous: 1232.38

	High	Low	Close	Prev.
Genting	17.40	17.10	17.20	17.20
Mal Banking	26.75	26	26	26.75
Mal Intl Ship F	7.20	7.05	7.15	7.20
Petronas Gas	10.20	10	10.10	10.10
Proton	4.66	4.58	4.60	4.60
Resorts World	12.40	12	12.70	12.30
Sime Darby	10.20	9.95	10	10.30
Telekom Mal	21.40	20.80	20.90	21.30
Tenaga	12.40	12	12.10	12.30
Utd Engineers	24.10	23.50	23.80	24.10

London

FT-SE 100: 4107.30 Previous: 4056.60

	High	Low	Close	Prev.
Abbey Natl	7.76	7.64	7.73	7.63
Allied Domecq	4.32	4.23	4.23	4.24
Anglian Water	6.08	5.92	6.07	5.86
Argos	6.31	6.02	6.06	6.24
Asda Group	1.35	1.32	1.35	1.32
Assoc Br Foods	4.74	4.70	4.71	4.64
BAA	4.87	4.80	4.82	4.77
Barclays	10.85	10.72	10.80	10.62
Bass	8.37	8.23	8.39	8.24
BAT Ind	5	4.63	4.68	4.65
Bank Scotland	3.10	2.98	3.08	2.98
Blue Circle	3.72	3.66	3.66	3.66
BOC Group	8.75	8.53	8.62	8.62
Boots	6.27	6.07	6.25	6.15
BPB Ind	3.70	3.63	3.70	3.64
Brit Aerosp	12.70	12.56	12.66	12.52
Brit Airways	6.06	5.99	6.01	6.07
BG	2.22	2.18	2.20	2.19
Brit Land	5.37	5.23	5.37	5.26
Brit Petm	7.90	7.07	7.18	7.01
BSkyB	5.35	5.25	5.32	5.36
Brit Steel	1.55	1.52	1.53	1.51
Brit Telecom	4.06	4.03	4.02	3.97
BTR	2.58	2.47	2.51	2.56
Burmah Castrol	10.95	10.82	10.88	10.92
Burton Gp	1.52	1.51	1.52	1.52
Cable Wireless	4.70	4.63	4.66	4.69
Cadbury Schw	4.92	4.79	4.87	4.83
Carlton Comm	5.14	5.06	5.13	5.03
Coml Union	6.95	6.78	6.91	6.81
Compass Gp	6.26	6.18	6.23	6.16
Courtaulds	3.86	3.81	3.83	3.87
Dixons	5.03	4.96	4.99	5.04
Electrocomponents	4.51	4.49	4.51	4.58
EMI Group	13.03	12.85	12.91	12.99
Enterprise Oil	6.37	6.30	6.36	6.32
Fam Colonial	1.50	1.48	1.49	1.47
Gen'l Accident	7.85	7.71	7.85	7.70
GEC	4.07	3.98	4.04	3.98
GKN	10	9.78	9.88	9.96
Glaxo Wellcome	9.12	9	9.09	8.94
Granada Gp	8.57	8.42	8.54	8.43
Grand Met	4.42	4.29	4.35	4.33
GRE	2.73	2.67	2.73	2.66
Greenalls Gp	5.65	5.58	5.60	5.59
Guinness	4.43	4.35	4.40	4.35
GUS	5.96	5.81	5.96	5.89
Hanson	0.87	0.85	0.85	0.87
Hays	5.54	5.48	5.50	5.45
HSBC Hldgs	13.51	12.79	13.12	12.79
ICI	8	7.37	7.44	7.35
Impl Tobacco	3.88	3.82	3.85	3.88
Kingfisher	6.54	6.46	6.48	6.40
Ladbroke	2.34	2.30	2.33	2.31
Land Sec	7.94	7.66	7.83	7.65
Lasmo	2.53	2.44	2.48	2.45
Legal Genl Grp	3.94	3.83	3.93	3.79
Lloyds TSB Gp	4.60	4.43	4.59	4.29
LucasVarity	2.24	2.19	2.19	2.22
Marks Spencer	4.88	4.66	4.73	4.68
MEPC	4.83	4.60	4.68	4.64
Mercury Asset	12.22	12.15	12.21	12.21
National Grid	2.08	2.01	2.02	2
Natl Power	4.95	4.80	4.91	4.74
NatWest	7.69	7.52	7.59	7.46
Next	5.48	4.98	5.40	5.30
Orange	1.89	1.86	1.87	1.87
P&O	6.32	6.20	6.26	6.20
Pearson	7.67	7.53	7.55	7.59
Pilkington	1.47	1.43	1.43	1.44
PowerGen	6.08	5.98	6	5.95
Premier Farnell	7.07	6.95	6.96	7.07
Prudential	5.15	5.05	5.09	5.05
Railtrack PP	4.01	3.88	3.94	3.86
Rank Group	4.25	4.12	4.16	4.25
Reckitt Colm	7.99	7	7.04	7.05
Redland	3.38	3.29	3.30	3.31
Reed Intl	10.32	10.15	10.21	10.28
Rentokil Initial	4.37	4.31	4.35	4.29
Reuters Hldgs	6.99	6.85	6.93	6.93
Rexam	3.51	3.45	3.47	3.46
RMC Group	9.10	8.80	8.89	9.38
Rolls Royce	2.49	2.42	2.45	2.47
Royal Bk Scot	5.70	5.59	5.64	5.55
RTZ reg	10	8.95	9.10	9.05
Royal & Sun All	4.46	4.39	4.42	4.41
Safeway	4.15	4.04	4.15	4.05
Sainsbury	3.95	3.88	3.90	3.89
Schroders	15.80	15.67	15.80	15.65
Scot Newcastle	6.55	6.42	6.44	6.53
Scot Power	3.54	3.48	3.51	3.46
Securicor	2.79	2.75	2.75	2.74
Severn Trent	6.94	6.85	6.88	6.81
Shell Transp R	10.30	10.14	10.23	10.11
Siebe	10.30	10.10	10.20	10.25
Smith Nephew	1.76	1.75	1.76	1.75
SmithKline	7.92	7.85	7.88	7.84
Smiths Ind	8.00	7.87	7.89	8.02
Sthern Elec	7.92	7.82	7.85	7.76
Stagecoach	7.33	7.23	7.33	7.26
Stand Charter	6.95	6.80	6.91	6.81
Tate & Lyle	4.73	4.68	4.71	4.67
Tesco	3.55	3.49	3.54	3.45
Thames Water	6.07	5.98	5.98	5.96
3i Group	5	4.90	4.98	4.96
TI Group	5.54	5.41	5.52	5.46
Tomkins	2.88	2.70	2.72	2.79
Unilever	13.80	13.53	13.71	13.55
Utd Assurance	5.05	4.95	5	4.96
Utd News	6.85	6.72	6.73	6.81
Utd Utilities	6.56	6.42	6.53	6.42
Vendome Lx uts	5.18	5.13	5.13	5.13
Vodafone	2.55	2.49	2.54	2.48
Whitbread	7.67	7.37	7.37	7.72
Williams Hdgs	3.37	3.28	3.33	3.39
Wolseley	4.67	4.58	4.63	4.59
WPP Group	2.42	2.36	2.41	2.36
Zeneca	16.14	15.98	16.10	16

Madrid

Bolsa index: 464.16 Previous: 456.42

	High	Low	Close	Prev.
Acerinox	18530	18240	18240	18280
ACESA	1800	1765	1795	1755
Aguas Barcelon	5670	5500	5670	5550
Argentaria	5810	5760	5800	5730
BBV	7350	7290	7320	7260
Banesto	1125	1105	1110	1105
Bankinter	20000	19720	19800	19770
Bco Central Hisp	3575	3525	3560	3495
Bco Exterior	2800	2760	2760	2780
Bco Popular	26790	25350	26790	25480
Bco Santander	8500	8370	8430	8400
CEPSA	4340	4170	4270	4235
Continente	2675	2640	2670	2635
Corp Mapfre	7950	7710	7950	7650
Endesa	10100	9920	10070	9850
FECSA	1280	1245	1275	1280
Gas Natural	32490	31900	32310	32010
Iberdrola	1718	1670	1710	1675
Pryca	2595	2560	2570	2545
Repsol	5680	5530	5670	5510
Sevillana Elec	1335	1295	1335	1295
Tabacalera	6040	5950	6040	5890
Telefonica	3290	3255	3275	3240
Union Fenosa	1235	1210	1235	1195
Valenc Cement	1455	1410	1440	1440

Manila

PSE Index: 3278.31 Previous: 3262.14

	High	Low	Close	Prev.
Ayala B	30.50	30	30.50	30
Ayala Land	30.50	30	30	30
Bk Philip Isl	168	167	168	169
C&P Homes	14.50	14	14	14
Manila Elec A	132	129	129	130
Metro Bank	680	665	680	665
Petron	9.80	9.60	9.60	9.80
PCIBank	342.50	340	340	337.50
Phil Long Dist	1515	1505	1515	1450
San Miguel B	118	114	114	119
SM Prime Hdg	7.20	7.10	7.10	7.20

Mexico

Bolsa index: 3568.52 Previous: 3594.09

	High	Low	Close	Prev.
Alfa A	39.85	39.15	39.15	39.60
Banacci B	16.84	16.64	16.78	16.80
Cemex CPO	31.55	31.10	31.15	31.15
Cifra C	10.16	9.88	9.88	10.08
Emp Modema	42.30	41.40	41.40	42.50
Gpo Carso A1	46.75	46.00	46.40	46.70
Gpo Fin Inbursa	29.30	28.75	28.95	28.75
Kimb Clark Mex	163.30	162.50	163.20	162.90
Televisa CPO	106.50	102.00	102.00	106.50
TelMex L	14.56	14.36	14.40	14.54

Milan

MIB Telematico: 11676.00 Previous: 11418.00

	High	Low	Close	Prev.
Alleanza Assic	11830	11580	11800	11430
Bca Comm Ital	3120	3020	3105	2990
Bca Fideuram	4050	3770	3980	3730
Bca di Roma	1287	1258	1278	1253
Benetton	21000	20300	20900	20300
Credito Italiano	1935	1851	1900	1854
Edison	10545	10140	10380	10260
ENI	9000	8710	8950	8685
Fiat	5075	4960	4995	4850
Generali Assic	32150	31550	31550	31500
IMI	14830	14250	14830	14370
INA	2090	2045	2085	2031
Italgas	7150	6915	7050	6920
Mediaset	7670	7385	7415	7345
Mediobanca	9675	9300	9600	9140
Montedison	1225	1188	1224	1185
Parmalat	2595	2490	2535	2530
Pirelli	3150	3090	3120	3080
RAS	15040	14650	14800	14750
Rolo Banca	15190	14850	14995	14950
S Paolo Torino	10250	9880	9970	9805
Stet	7300	7100	7150	7100
Telecom Italia	4495	4350	4450	4315
TIM	4235	4130	4220	4128

Montreal

Industrials index: 2911.99 Previous: 2883.79

	High	Low	Close	Prev.
Bco Mob Com	43¼	43	43	43¼
Cdn Tire A	21.20	21.05	21.20	21.15
Cdn Util A	31.10	30.80	30.90	30.90
CT Finl Svc	32.45	32.05	32.45	32.45
Gaz Metro	17.65	17½	17.60	17.45
Gt-West Lifeco	21¼	21.10	21.15	21.10
Hees Intl Bcp	20¾	20.60	20¾	20¾
Imasco	34.60	34.05	34¼	34.70
Investors Grp	26.80	26.70	26.70	27
Loblaw Cos	15.40	15¼	15.35	15.35
Natl Bk Canada	13½	13.35	13.35	13.45
Power Corp	27¾	27.30	27.40	27¾
Power Finl	25.05	25	25	24.95
Quebecor B	24.95	24.35	24¼	24.40
Rogers Comm B	10.45	10.35	10.40	10.40
Royal Bk Cda	49¼	48.90	49	49¼

Oslo

OBX Index: 561.38 Previous: 555.13

	High	Low	Close	Prev.
Aker A	148	147	148	146
Bergesen Dy A	149	148	149	147
Christiania Bk	23	22.50	22.90	22.40
Den norske Bk	26.80	26	26.40	26.30
Elkem	107	102	105.50	106
Hafslund A	48.20	47.50	48.20	47.50
Kvaerner Asa	319	313	315	314
Norsk Hydro	361	356.50	359	354
Norske Skog A	203.50	196	196	199
Nycomed A	103	100	102.50	102
Orkla Asa A	480	470	477	472
Petm GeoSvc	278	272	272	274
Saga Petlm A	129	126	126.50	126.50
Schibsted	134	130.50	132	127
Transocean Off	433	425	433	415
Storebrand Asa	37	36.80	36.80	37

Paris

CAC-40: 2361.27 Previous: 2327.50

	High	Low	Close	Prev.
Accor	667	653	656	656
AGF	166.40	164.10	165	163
Air Liquide	843	829	843	821
Alcatel Alsth	432.60	428.10	430	423.90
Axa	354	348	353.70	346.50
Bancaire	625	616	618	610
BIC	814	789	800	803
BNP	201	199.10	199.30	198.50
Canal Plus	1125	1097	1102	1107
Carrefour	3397	3320	3367	3290
Casino	242	239.20	240.20	239.10
CCF	242.90	235.30	236.30	236
Cetelem	644	618	624	615
Christian Dior	851	841	850	835
CLF-Dexia Fran	479.80	471	475.40	465
Credit Agricole	1265	1250	1265	1250
Danone	774	759	774	754
Elf-Aquitaine	499.50	490.10	495.70	487.90
Eridania BS	844	830	837	836
Eurotunnel	6.95	6.80	6.90	6.85
Gen. Eaux	706	697	702	692
Havas	375.60	371.40	373	368.70
Imetal	790	780	788	773
Lafarge	323.70	318.10	320	315.10
Legrand	930	907	915	915
L'Oreal	1961	1934	1947	1930
LVMH	1445	1418	1430	1408
Lyon. Eaux	505	494.20	498.60	491
Michelin B	290.70	285.10	289.50	282.20
Paribas A	365	360	361.10	353.10
Pernod Ricard	306.80	301	306.80	299
Peugeot Cit	550	534	542	544
Pinault-Print	2158	2124	2124	2092
Promodes	1495	1470	1491	1463
Renault	113.40	110.10	113	108.50
Rexel	1656	1599	1627	1622
Rh-Poulenc A	168	163.10	166.60	162.10
Roussel-Uclaf	1528	1527	1527	1527
Sanofi	579	551	553	568
Schneider	253.50	247	253	245.40
SEB	1176	1140	1154	1129
SGS Thomson	379.90	375.50	377	374.50
Ste Generale	550	541	543	539
Sodexho	2815	2770	2790	2720
St Gobain	793	779	785	771
Suez	219.50	217.50	218	216
Synthelabo	574	553	553	557
Thomson CSF	172.70	167.60	168	167.70
Total B	426.80	422	424.30	418
UAP	140.50	138	140.50	137.30
Usinor	79.50	77.95	78.80	78.30
Valeo	346.80	344	344.60	346

São Paulo

Bovespa index: 74117.50 Previous: 74542.10

	High	Low	Close	Prev.
Bradesco Pfd	8.20	8.07	8.20	8.25
Brahma Pfd	590.00	580.00	590.00	580.00
Cemig Pfd	40.50	39.10	40.40	40.20
CESP Pfd	50.70	49.20	50.00	48.00
Copel	13.00	12.80	12.89	12.90
Eletrobras	379.89	373.00	377.00	376.00
Itaubanco Pfd	442.00	438.00	439.50	437.01
Light Servicios	351.00	348.00	348.00	360.00
Lightpar	279.99	274.00	279.99	270.00
Petrobras Pfd	179.00	174.00	177.99	177.98
Telebras Pfd	86.00	84.50	85.10	85.80
Telemig	143.00	140.80	142.00	140.50
Telerj	151.00	148.490	151.00	146.00
Telesp Pfd	238.00	230.00	238.00	237.00
Unibanco	35.00	33.00	33.20	36.00
CVRD Pfd	22.10	21.60	22.10	22.10

Seoul

Composite index: 659.54 Previous: 648.69

	High	Low	Close	Prev.
Dacom	94500	85000	93000	87000
Daewoo Heavy	5310	5110	5200	5220
Kia Motors	16600	15700	15800	16500
Korea El Pwr	27400	26900	27200	27100
Korea Exch Bk	9450	9010	9400	8950
Korea Mob Tel	464000	446500	460000	447000
LG Semicon	19100	19000	19000	19000
Pohang Iron St	40500	39500	40200	40000
Samsung Elec	45000	42000	44000	42300
Shinhan Bank	11900	11500	11500	11800

Singapore

Straits Times: 2232.46 Previous: 2242.31

	High	Low	Close	Prev.
Cerebos Pac	11.30	10.90	11.20	11.30
City Devlts	12.90	12.50	12.50	13
Cycle Carriage	16.30	16.10	16.30	16.30
Dairy Farm Int *	0.82	0.80	0.81	0.82
DBS	9.10	9	9.05	9.10
DBS Land	5.35	5.25	5.30	5.40
Fraser & Neave	14.10	13.90	14.10	14.10
HK Land *	2.89	2.86	2.86	2.90
Hong Leong Fin	3.28	3.26	3.28	3.28
Jard Matheson *	6.55	6.40	6.45	6.55
Jard Strategic *	3.70	3.66	3.66	3.70
Keppel	11	10.80	10.90	11
Natsteel	3.32	3.30	3.32	3.34
Neptune Orient	1.21	1.19	1.19	1.21
OCBC foreign	18.20	17.80	18	18.20
O'Sea Union Bk	6.40	6.30	6.30	6.40
Sembawang	8.05	7.95	8	8.05
Sing Airlines F	13.10	12.90	13	12.90
Sing Petlm	N.T.	N.T.	N.T.	1.76
Sing Press F	28.30	26.90	27	28.30
ST Auto F	3.32	3.30	3.30	3.36
ST Ship	1.88	1.87	1.88	1.87
Sing Telecomm	3.22	3.16	3.20	3.20
Straits Steam	4.50	4.46	4.50	4.46
Utd Industrial	1.22	1.19	1.19	1.22
Utd O'Sea Bk F	16.60	16.20	16.50	16.60
Wing Tai Hdgs	4.20	4.14	4.20	4.18

*: in U.S. dollars.

Stockholm

SX 16 index: 2597.81 Previous: 2547.40

	High	Low	Close	Prev.
AGA BF	107.50	106	106.50	105
ABB AF	790	781	783	776
AssiDoman F	189.50	186.50	189	187
Astra AF	336	331	332.50	329
Atlas Copco AF	171	168.50	171	166.50
Avesta F	79.50	77.50	77.50	77
Electrolux BF	417.50	404	417	401
Ericsson BF	229	226	229	224
Hennes BF	1065	1010	1065	1010
Incentive AF	512	507	512	505
Investor BF	310.50	305	310	302
Kinnevik BF	199	193.50	195.50	194
MoDo BF	204.50	200	201.50	200
Pharm/Upjohn	277	270	277	268
Sandvik BF	188	186	188	185.50
SCA BF	145.50	144	145	144
S-E Banken AF	70	68.50	68.50	68.50
Skandia Fors F	186	185	186	185
Skanska BF	306.50	202.50	306.50	298.50
SKF BF	159.50	157	158	157
SSAB BF	122.50	119	122	118.50
Stora AF	98	95.50	96.50	95
Sv Handles AF	192	185.50	189.50	187.50
Sydkraft AF	153	151	153	150
Trelleborg BF	112.50	111	112	107
Volvo BF	159	159	159	156

Sydney

All Ordinaries: 2422.30 Previous: 2418.40

	High	Low	Close	Prev.
Amcor	8.06	7.98	8.02	8.05
ANZ Bking	8.02	7.95	7.95	7.95
BHP	18.40	18.09	18.31	18.12
Boral	3.52	3.48	3.48	3.50
Brambles Ind.	23.35	22.80	23.10	23.40
Burns Philip	2.41	2.40	2.41	2.40
CBA	12.21	12.14	12.14	12.14
CC Amatil	13.43	13.30	13.38	13.41
Coles Myer	5.05	4.95	5.04	5.02
Comalco	6.75	6.60	6.68	6.60
CRA Ltd	19.51	19.26	19.30	19.56
CSR	4.46	4.40	4.44	4.44
Fosters Brew	2.66	2.59	2.65	2.59
GIO Australia	3.25	3.20	3.22	3.21
Goodman Fld	1.61	1.57	1.60	1.63
ICI Australia	13.25	13	13	13.25
John Fairfax	2.81	2.76	2.79	2.80
Lend Lease	24.17	23.99	24.09	24
Mayne Nickless	7.95	7.91	7.94	7.93
MIM Hdgs	1.83	1.79	1.82	1.80
Nat Aust Bank	14.56	14.45	14.54	14.53
News Corp	6.78	6.66	6.74	6.73
North Ltd	3.75	3.72	3.74	3.70
Pacific Dunlop	3.10	3.08	3.10	3.08
Pioneer Intl	3.66	3.54	3.64	3.55
Placer Pacific	1.82	1.79	1.82	1.73
Santos	5.12	5.07	5.11	5.12
Southcorp	4.16	4.07	4.07	4.15
Westarmers	9.05	8.88	8.94	8.94
Wmc Mining	8.24	8.08	8.22	8.14
Westfield Trt	2.37	2.35	2.35	2.35
Westpac Bking	7.27	7.23	7.23	7.25
Woodside Pet	9.85	9.60	9.72	9.72
Woolworths	3.10	3.06	3.09	3.07

Taipei

Stock Market index: 7189.47 Previous: 7094.77

	High	Low	Close	Prev.
Asia Cement	51	50	50.50	50
Cathay Life Ins	180	177	177	178
Chang Hwa Bk	173	168	172	170
China Steel	26	25.50	25.70	25.40
China Trust	53	52	52.50	52
Evergreen	55.50	54	54	54
Far East Text	30.40	28.20	30	28.10
First Bank	180	176	180	176
Formosa CF	43.50	42.40	42.60	42.30
Hua Nan Bk	149	145	148	147
Hualon Teijran	24.90	24.10	24.50	24.10
ICBC	86.50	83.50	84	83.50
President Ent	45.30	44.60	44.60	44.50
Taiwan Cem	60.50	59	60	59.50
Tatung	53.50	53	53.50	53.50

Tokyo

Nikkei 225: 18118.79 Previous: 17303.45

	High	Low	Close	Prev.
Ajinomoto	1060	990	1040	1050
All Nippon Air	810	741	805	750
Asahi Bank	900	800	894	815
Asahi Chem	619	557	606	550
Asahi Glass	1040	1010	1030	1010
Bk Tokyo Mitsu	1970	1870	1970	1990
Bk Yokohama	665	615	659	637
Bridgestone	2070	2000	2050	2040
Canon	2360	2300	2330	2330
Chiba Bank	745	687	730	687
Chubu Elec	2280	2160	2240	2200
Chugoku Elec	2200	2110	2200	2130
Daiei	816	774	814	778
Daiichi Kang	1450	1280	1440	1350
Daiwa Bank	552	500	551	519
Daiwa House	1410	1370	1390	1410
Daiwa Sec	998	940	995	937
Denso	2550	2430	2540	2520
Fanuc	3570	3280	3500	3330
Fuji Bank	1550	1360	1550	1410
Fuji Photo	3650	3330	3640	3390
Fujitsu	1100	1080	1090	1100
Hitachi	1070	1040	1060	1070
Honda Motor	3090	3000	3080	3050
IBJ	1870	1690	1830	1710
IHI	459	430	459	433
Itochu	542	512	541	573
Ito-Yokado	5540	5390	5500	5330
JAL	565	534	550	556
Jusco	3630	3560	3600	3610
Kajima	731	657	731	674
Kansai Elec	2310	2150	2290	2180
Kao	1300	1260	1290	1310
Kawa Steel	297	281	297	286
KDD	7460	7100	7460	7280
Kinki Nipp Ry	720	703	713	704
Kirin Brewery	1130	988	1100	1010
Kobe Steel	232	208	230	214
Komatsu	890	806	890	790
Kubota	535	515	535	516
Kyocera	7330	7100	7310	7100
Kyushu Elec	2250	2130	2240	2140
LTCB	540	492	549	520
Marubeni	455	428	451	428
Marui	1820	1740	1820	1820
Matsu Elec Ind	1800	1740	1790	1780
Matsu Elec Wk	987	963	987	960
Mitsubishi	1070	1010	1060	1010
Mitsubishi Ch	352	320	350	321
Mitsubishi El	685	643	672	657
Mitsubishi Est	1170	1100	1160	1100
Mitsubishi Hvy	860	843	859	851
Mitsubishi Mat	875	853	870	870
Mitsubishi Tr	1460	1220	1420	1290
Mitsui	880	850	880	850
Mitsui Fudosn	1090	1030	1080	1030
Mitsui Trust	792	690	792	695
Murata Mfg	3880	3760	3760	3830
NEC	1400	1350	1400	1370
Nikko Sec	825	750	820	741
Nintendo	8100	7930	8100	8040
Nipp Credit Bk	262	221	259	264
Nipp Express	736	677	735	656
Nippon Oil	562	546	555	552
Nippon Paper	528	481	528	514
Nippon Steel	302	288	301	297
Nippon Yusen	493	475	490	479
Nissan Motor	685	627	683	623
NKK	250	222	245	226
Nomura Sec	1590	1510	1590	1490
NTT	8620a	8250a	8500a	8510a
Obayashi	740	673	739	671
Odakyu El Ry	674	637	668	634
Ono Pharm	3200	3090	3200	3100
Osaka Gas	309	286	296	290
Ricoh	1270	1240	1260	1230
Sakura Bk	744	635	740	650
Sankyo	3100	2940	3090	3100
Sanwa Bank	1580	1340	1560	1380
Sanyo Elec	445	415	445	414
Secom	6620	6300	6400	6620
Seibu Rwy	3750	3530	3750	3500
Sekisui House	1140	1120	1130	1120
Seven-Eleven	6650	6550	6650	6550
Sharp	1580	1520	1560	1590
Shimizu	796	714	777	713
Shin-etsu Ch	2080	2040	2060	2060
Shizuoka Bk	1100	1010	1100	1000
Sony	7390	7250	7360	7320
Sumitomo	938	885	922	894
Sumitomo Bk	1570	1360	1530	1370
Sumit Chem	415	393	410	406
Sumitomo Elec	1610	1570	1600	1580
Sumit Metal	259	245	259	246
Sumit Trust	999	905	999	899
Taisei	550	510	533	515
Taisho Pharm	2620	2530	2610	2560
Takeda Chem	2250	2160	2240	2250
TDK	7220	7020	7200	7230
Tohoku El Pwr	2200	2140	2180	2150
Tokai Bank	1000	905	1000	907
Tokio Marine	1040	995	1040	1020
Tokyo El Pwr	2450	2300	2430	2300
Tokyo Gas	305	292	305	292
Tokyu	580	537	566	535
Tonen	1250	1160	1240	1240
Toppan Print	1380	1260	1350	1270
Toray Ind	670	642	665	665
Toshiba	720	689	703	689
Toyo Seikan	2580	2390	2550	2400
Toyo Trust	825	730	825	725
Toyota Motor	3120	3020	3110	3080
Yamaichi Sec	495	465	494	465
Yamanouchi	2260	2210	2230	2230
Yasuda Fire	559	522	549	548
Yasuda Trust	415	380	412	398

a: x 100

Toronto

TSE Industrials: 6001.68 Previous: 5984.93

	High	Low	Close	Prev.
Abitibi Price	23.30	23.15	23.15	23¼
Alberta Energy	32¼	32.10	32¼	32.20
Alcan Alum	48.90	48½	48.45	48.60
Anderson Expl	18.10	17.80	17.90	17.90
Bk Montreal	43.40	43	43.10	43.10
Bk Nova Scotia	45¼	44.85	45.10	44.85
Barrick Gold	36.70	36.10	36.40	36.30
BCE	66.30	65.45	66.20	65.45
BC Telecomm	29¼	29	29.60	29¼
Biochem Pharm	67½	67.05	67¼	67¼
Bombardier B	24½	24.15	24.40	24.30
Brascan A	30.40	30.05	30.40	30.10
Bre-x Minerals	21.55	21.15	21.45	20.90
Cameco	57.30	56.70	57.15	56½
CIBC	57.80	57.10	57.20	57.55
Cdn Natl Rail	50.80	50½	50.80	50.70
Cdn Nat Res	38¼	38.10	38.15	38.15
Cdn Occid Pet	24¼	23.95	24.15	23.80
Cdn Pacific	36.20	35.80	35.95	36.05
Cominco	35.30	35	35	35.20
Dofasco	25.80	25.40	25½	25.60
Domtar	12.60	12.55	12.60	12.60
Donohue A	26¼	26.15	26.30	26½
Du Pont Cda A	31.45	31	31	31.20
EuroNev Mng	37½	37	37.35	36½
Fairfax Finl	300	299	299	299
Falconbridge	30.35	29.85	29.90	30.10
Fletcher Chall A	22½	22	22.20	22½
Franco Nevada	57.90	56½	57.90	56
Gulf Cda Res	12.20	11.45	11.55	11.85
Imperial Oil	63.95	63.20	63.80	63½
Inco	45.70	45.15	45.70	45½
IPL Energy	40.60	40.35	40½	40.60
Laidlaw B	17½	17.45	17.45	17.40
Loewen Group	50½	49.85	50	50.40
Macmill Bld	18.70	18.30	18.60	18.35
Magna Intl A	76½	75.10	75.40	74.80
Methanex	13.65	13.45	13½	13½
Moore	27.95	27.60	27.60	27.70
Newbridge Net	45.45	43.90	45.10	44.10
Noranda Inc	32¼	31.40	31.90	32.10
Norcen Energy	31½	31.30	31.40	31.05
Nthern Telecom	96.35	93.90	94¼	93.80
Nova	13.15	12.90	12.95	13
Onex	23.10	23	23	23
Pancdn Petlm	53.35	52¼	52¼	52¼
Petro Cda	21.85	21.20	21¼	21¼
Placer Dome	29.70	28.80	29	29.40
Poco Petlm	14	13.65	13.80	13.65
Potash Sask	119.60	117	119	117½
Renaissance	49.85	49.10	49.10	49.20
Rio Algom	34.40	34	34.05	34.30
Rogers Cantel B	27.90	27.40	27.90	27.70
Seagram Co	54¼	53.80	53.85	54.30
Shell Cda A	53	52.05	53	52¼
Stone Consold	21.80	21.55	21.80	21.65
Suncor	62	57.55	59.60	57
Talisman Eny	49.95	48	48	48.45
Teck B	30.30	30	30.05	29.90
Teleglobe	40.20	39.55	39.55	40
Telus	20.05	19.85	19.95	20
Thomson	29.40	29	29.15	29.15
TorDom Bank	34.95	34.65	34.85	34.70
Transalta	17.05	16.80	16.85	16.95
TransCda Pipe	23.65	23.30	23.45	23.55
Trimark Finl	42.65	42.30	42.30	42½
Trizec Hahn	30.40	30	30¼	30.05
TVX Gold	10.10	9.85	10	9.95
Westcoast Eny	23.30	23.15	23¼	23¼
Weston	73	71	72	71½

Vienna

ATX Index: 1167.43 Previous: 1141.31

	High	Low	Close	Prev.
Aust Airlines	1671	1671	1640	1640
Brau-Un Goess	493	482	488	485
Bund Vers Pfd	407	407	490	490
Creditanst Pfd	503	493	496	478.20
EA-Generali	3200	3075	3165	3000
EVN	1707	1642	1690	1647
Interunfall	1481	1481	1475	1475
Lenzing	672.90	665	666	665
Leykam	276	272.20	274.50	273
Mayr-Meinhof	595.50	560	593	557
OMV	1326.95	1249	1304	1249
Oest Brau	784	741	784	750
Oest Elektriz	819.90	811.50	819.50	811.50
VA Tech	1760	1705	1753.95	1695.50
Wienerberger	2100	2080	2084	2070

Wellington

NZSE-40 index: 2481.99 Previous: 2486.81

	High	Low	Close	Prev.
Air N Zeald B	2.85	2.83	2.84	2.83
Brierly Invt	1.34	1.33	1.33	1.33
Carter Holt ord	3.36	3.29	3.30	3.36
Fernz	5.00	4.94	5.00	4.95
Fisher Paykel	5.75	5.60	5.75	5.60
FC Forest	2.34	2.33	2.34	2.33
Goodman Fder	1.81	1.78	1.78	1.81
Indep News	6.98	6.95	6.95	6.98
Lion Nathan	3.58	3.55	3.55	3.58
Nat Gas note	2.27	2.24	2.27	2.24
NZ Refining	29.00	28.70	29.00	28.70
Telecom NZ	7.48	7.42	7.43	7.47
Wilson Horton	11.55	11.55	11.55	11.55

Zurich

SPI Index: 2549.31 Previous: 2526.61

	High	Low	Close	Prev.
Adecco B	375	362	375	359
Alusuisse R	1142	1130	1130	1128
Ares-Serono B	1325	1300	1315	1300
Baloise Hdg R	2690	2665	2680	2650
ABB B	1664	1650	1655	1646
BK Vision	735	724	725	724
Bobst B	1950	1920	1935	1929
CS Holdings R	135.50	134.50	134.75	134.50
Elektrowatt B	537	535	536	536
Fischer B	1436	1425	1435	1429
Hilti PC	905	892	895	891
Holderbank B	1010	1002	1007	997
Jul. Baer Hdg B	1416	1402	1407	1412
Nestle R	1456	1444	1452	1438
Novartis R	1563	1550	1561	1541
Oerlikon R	138.25	137.50	137.75	137.75
Pargesa Hld B	1485	1465	1475	1475
PharmVisn B	621	616	620	617
Pirelli B	203	194	200	194
Roche Hdg PC	10735	10640	10735	10590
SBC R	252	248	248.25	251
Schindler B	1485	1465	1480	1444
SGS B	3360	3285	3290	3240
SMH B	871	863	864	860
Sulzer R	840	835	838	834
Swiss Reins R	1399	1390	1390	1397
Swissair R	1154	1144	1146	1144
UBS B	1177	1149	1154	1170
Valora Hdg R	275	265.50	269	265
Winterthur R	783	777	779	776
Zurich Assur R	366	363.50	363.50	363.50

NYSE

Monday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

Continued on Page 16

Packer Hits Jackpot in Australian Casino Bid

Compiled by Our Staff From Dispatches

SYDNEY — Australia's richest man, Kerry Packer, will spend 340 million dollars ($264.2 million) to buy control of Sydney Harbor Casino, the companies involved said Monday.

Mr. Packer's company, Publishing & Broadcasting Ltd., said it would pay 240 million dollars for Showboat Inc.'s 85 percent stake in the management of Sydney Harbor and 100 million dollars for a 10 percent stake in the casino itself. Showboat, a U.S.-based gaming company, has an option to sell Publishing & Broadcasting another 10 percent of the casino.

Australia's Leighton Holdings Ltd. owns the remaining 15 percent management stake in the casino.

Mr. Packer, whose own gambling sprees in Las Vegas and London are legendary, had sought control of the only legal casino in Sydney for the past three years. In 1994, Mr. Packer led a consortium to bid for the 12-year Sydney casino license but lost out to the Showboat-led consortium.

Mr. Packer is the biggest individual investor in Australia's largest casino, Crown Ltd. in Melbourne.

The stake in Sydney Harbor will give Mr. Packer a lucrative share in the revenue that crosses the casino's 200 tables and 1,500 poker machines.

Casinos will become a third plank for Publishing & Broadcasting, which owns Australia's largest commercial-television network, Nine Network Ltd., and the nation's largest magazine publisher, Australian Consolidated Press.

"I can't see anything but positive news," Steven Marsh at Legal & General Investment Management said of the transaction, which is subject to government and regulatory approval. Publishing & Broadcasting shares closed at a record 6.40 dollars, up 30 cents. Sydney Harbor Casino Holdings rose 29 cents, to 2.22.

(Bloomberg, Reuters, AFP)

Stock Plunge: Tokyo Will Let It Slide

Bloomberg Business News

TOKYO — The government, which has spent trillions of yen this decade propping up stocks, will mostly be staying on the sidelines from now on, economists say.

Japan's need to drive down one of the world's biggest fiscal deficits, coupled with doubts about the benefits of market intervention, will deter it from pumping money into equities or the overall economy, in the view of several economists.

"This government has finally come to the realization that if the market is going in a certain direction, intervening is actually counterproductive," said Mineko Sasaki-Smith, an economist at Credit Suisse First Boston. "They've accepted the notion that it is better to let the market seek its own natural bounds."

The Tokyo market's benchmark Nikkei Stock Average lost 10 percent of its value in the year's first week of trading before rebounding about 5 percent Monday, and it has fallen 15 percent since late November.

With equities tumbling, market-watchers began speculating that the government would be forced to put together a large spending package to keep the market from falling further. But the Finance Ministry's three top officials have denied planning any such measure.

Many investors and analysts said they would prefer that the government avoid priming the pump and proceed with deregulating financial markets. Many are also waiting for Japan's Parliament to come up with substantial measures to lower corporate taxes and brokerage fees when it convenes next week. Prime Minister Ryutaro Hashimoto, aware that Japan's high debt cripples its ability to finance long-term projects, now says cutting the deficit is a top priority.

Few investors expect the government to put together another large stock-price support package, saying officials now realize that such measures artificially inflate the market, leaving it subject to a fresh plunge later.

"The government should stop pampering the market," said Minoru Maeda, a fund manager with Yamaichi Investment Trust Management Co. He said he would rather see "some real progress that accelerates the cleanup of the bad-loan crisis."

The Finance Ministry estimates banks and other lenders have more than 30 trillion yen ($257 billion) in bad loans remaining from the speculative bubble of the late 1980s.

For its part, the government says it wants private industry to put its own house in order.

Finance Minister Hiroshi Mitsuzuka said Japanese companies should make their own efforts to improve business and help lift the economy. Eisuke Sakakibara, head of the Finance Ministry's International Finance Bureau, told the Mainichi Shimbun that the government should let market forces take their course.

"At this stage, the sooner you let the market seek its bottom, the faster it will rebound," Mrs. Sasaki-Smith of First Boston said. "In the long run, the market is going to go where investors feel is right."

Analysts said last week's stock plunge reinforced a defensive streak among investors in the Tokyo markets, with players increasingly looking for companies that would do well even if Japan's economy did not rebound.

Defensive investing can involve buying shares in companies that make money abroad, or companies that sell products that even hard-pressed consumers will not cut from their budgets — fish, electricity and antibiotics, for example.

That type of strategy has led Tokyo investors into auto exporters, supermarkets and electric companies, analysts said, while companies such as up-market retailers are being shunned.

Trade Surplus Shrinks

Reuters

TOKYO — The current-account surplus dropped 15 percent in November from a year earlier, pushed down by a surge in spending by Japanese tourists abroad, the government reported Monday.

The Finance Ministry said the surplus in the current account — the broadest measure of a country's trade — was 664 billion yen ($5.69 billion) for the month.

The trade surplus in goods slipped just 3 percent in November from a year earlier, but a rise in the number of Japanese traveling abroad was one reason Japan's deficit in services widened 27 percent.

Investor's Asia

Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,289.21	13,191.50	+0.74
Singapore	Straits Times	2,232.40	2,242.31	-0.44
Sydney	All Ordinaries	2,422.30	2,418.50	+0.16
Tokyo	Nikkei 225	18,116.79	17,303.65	+4.71
Kuala Lumpur	Composite	1,220.38	1,232.38	-0.97
Bangkok	SET	822.89	840.50	-2.10
Seoul	Composite Index	659.54	648.69	+1.67
Taipei	Stock Market Index	7,189.47	7,118.07	+1.00
Manila	PSE	3,270.31	3,262.14	+0.25
Jakarta	Composite Index	656.89	657.87	-0.27
Wellington	NZSE-40	2,401.99	2,406.81	-0.20
Bombay	Sensitive Index	3,452.16	3,418.32	+1.02

Source: Telekurs — International Herald Tribune

Very briefly:

• **Taiwan** awarded eight lucrative mobile-phone franchises to local consortiums, most of them paired with foreign minority partners. **Far EastTone Group**, a partnership with **AT&T Corp.**, won the broadest access.

• **Texas Instruments-Acer Inc.**, a computer-chipmaker 48 percent owned by **Acer Inc.**, will post a fourth-quarter loss of about 500 million Taiwan dollars ($18.2 million) because of falling chip prices.

• **Chinese police** seized more than 200,000 pirated or pornographic goods in a series of raids over the weekend, the official Xinhua news agency reported.

• **PT Barito Pacific Timber** shares closed nearly 18 percent higher in Jakarta, at 1,825 rupiah (77 cents), on speculation the company may be the target of a buyout.

• **Thailand's central bank** pulled out of a planned rescue fund to bolster troubled property companies, but Finance Minister Amnuay Viravan said the fund would still be established.

• **Japan** and the **United States** are likely to resume talks next month on opening the $6 billion market for air-cargo and passenger services between the two countries, officials said.

• **Autoways Holdings Bhd.** of Malaysia agreed to buy a 70 percent stake in **Tanir Bavi Power Co.**, an Indian company that won the rights to build and operate a $160 million independent power plant in Karnataka state. Terms were not disclosed.

Reuters, Bloomberg, AFX, AP

Fears of a 'Meltdown' in Japan Banks' Shares

By Floyd Norris
New York Times Service

Can the banks of one of the world's great industrial powers be brought to their knees by bad loans? Will most of them go broke?

Such were the fears that drove U.S. stocks into the ground in 1990 — and in the process created a great buying opportunity for those willing to take a chance on finding survivors.

Now similar fears, after festering for years, are coming to a head in Japan. An index of Japanese bank shares fell 15 percent in the final four days of last week, sending the Nikkei 225 stock average tumbling by 11 percent.

The Japanese bank stock index was not exactly skyborne before the latest plunge, either: Since the end of 1989, it has lost 61 percent of its value. The bearish case on Japanese banks has not changed much in seven years. Most banks never really cleaned up their balance sheets after the bubble economy burst at the end of the 1980s. No one can be certain how many really bad loans there are, in part because the commercial real-estate market has not been allowed to fall far enough to bring out any substantial number of willing buyers. Instead, the government has stalled, hoping things would work out.

So far, they haven't, and bears see blood. "I think we are much closer to a meltdown in Japanese financial assets now than we have ever been," Jeff Uscher, editor of Grant's Asia Observer, said.

The current question for the banks is one of capital. Japanese bank accounting is sufficiently opaque that it is not easy to know just how dire the situation would be if they wrote off all their bad loans, but the general suspicion is that it would be very bad. One source of profits to add to capital — from selling stock the banks own in other companies — gets less likely every day the stock market falls. As in the United States in 1990, the banks' problems are having an impact on the economy. A bank worried about its capital levels is not a bank eager to lend money, and the Japanese economy continues to limp along.

Over the past couple of years, Japanese banks raised billions of dollars in capital with a clever type of security that now appears to be coming back to haunt them. They sold convertible preferred stock, largely to foreigners, on what looked like "can't lose" terms: The conversion rate would be reset if the stock fell, but not if it rose. But one bank stock, Daiwa Bank Ltd., has fallen so far that even resetting the rate won't help, and others are down almost as much.

Gary Rosenfeld of Rose Hill Capital Management, who runs a hedge fund devoted to Japanese securities, said the plunge had left Japanese bank stocks oversold and likely to bounce back. Banking stocks did bounce back Monday, rising more than 6 percent as a group, while the Nikkei average rose 815.14 points, or almost 5 percent. "But fundamentally, I'm not sure if there is any real attraction" in banking stocks, Mr. Rosenfeld said.

In Japan, Scandal Sells

New York Times Service

TOKYO — Scandal sells well in Japan, but it is also regarded as undignified by this generally polite society. So it was not surprising last week when Japan's leading daily newspapers virtually ignored the news that Daiwa Bank Ltd.'s former star bond trader in New York, Toshihide Iguchi, had written a book about the financial scandal that cost $1.1 billion over a dozen years.

But despite the scant attention to Mr. Iguchi's book, "The Confession," a buzz seems to be spreading in Tokyo's publishing world. Bungei Shunju Ltd., the publisher, has already increased the first printing to 60,000 copies from 40,000.

SOCCER: *Going Public Is Clubs' Latest Craze*

Continued from Page 11

erpool, Manchester, Leeds and other places joining the pack. Five or six other teams, including Newcastle, are planning stock sales, and new sports investment groups are cropping up.

"The other teams are waking up," said Guy Feld, a football analyst at UBS Securities Ltd. Mr. Feld said he wondered whether investor-owned teams would be this successful in the United States, where fans' interests and loyalties are divided among several big-league sports.

But the risk may be greater in Britain. Soccer teams drop in and out of the Premier League depending on their performance. If they do badly, they are relegated to lower-level, and less lucrative, divisions, while another team is elevated. The worst thing that could happen to a soccer stock, Mr. Feld said, would be relegation — which would drastically reduce television revenue.

In the United States, few teams are publicly traded. Shares in the Florida Panthers hockey team and the Boston Celtics in basketball are bought and sold on the stock market. A few other teams are publicly traded as part of the larger corporations that own them, such as the Mighty Ducks, a hockey team owned by Walt Disney Co., and the California Angels, a baseball team that Disney controls and has a 25 percent interest in. The U.S. National Football League does not permit teams to issue stock.

What impact going public will have on the field of play has yet to be determined, although some reports here say that Mr. Keegan's resignation is one of the first effects. The Times reported that Mr. Keegan had planned on quitting for some time to pursue other interests, and bankers advising the team on its stock issue recently advised the club that there was legal danger in failing to disclose Mr. Keegan's plans in its coming prospectus, the informational statement required when a company goes public. If he intended to step down, he had to do so now, they reportedly told Mr. Keegan. He went — with no public explanation.

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France Regrets Daewoo Flap

Special Envoy Tells Seoul New Bidding Will Be Fair

Compiled by Our Staff From Dispatches

SEOUL — A French presidential envoy expressed regret Monday over the failed attempt by Daewoo Electronics Co. last month to take over Thomson Multimedia of France and promised fair competition for the relaunched privatization of the company.

"It is regrettable that Daewoo Electronics failed to acquire Thomson Multimedia because of the rejection by the French privatization committee," Jean-Claude Paye told the foreign minister, Ryu Chong Ha.

"There will be no discrimination against South Korean firms in the future privatization program in France," he said, explaining that the delayed sale of Thomson was unavoidable.

Paris had recommended that the Thomson group, with interests in defense and digital television, be sold for a small amount to the French Lagardere Groupe, which was to pass Thomson Multimedia along to Daewoo.

But after the plan triggered protests in France, the privatization commission rejected it Dec. 4, mainly because of concern that strategic technology would be transferred to the South Korean company. Mr. Paye said France would welcome another bid by Daewoo for Thomson, adding that the South Korean company would be the most favored competitor. Daewoo has not indicated whether it will resubmit its bid.

The special envoy, a member of France's state council for international affairs, arrived here early Monday to try to mend relations between South Korea and France. But the first day of his visit was marked by a demonstration of about 20 elderly disabled men before the French Embassy.

The men, some of them waving canes, yelled that Mr. Paye should have been "thrown out of the country" as soon as he arrived.

They blocked a diplomatic car carrying Mr. Paye and the French ambassador, Dominque Perreau, forcing the two to enter and leave the embassy on foot.

The connection between the demonstrators and South Korean-French relations was unclear; they made a point of whispering to a diplomat that "no one sent us."

(AFP, Reuters)

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At the Annual General Meeting held on December 27, 1996, it was decided to pay a dividend of US$ 0.10 (cents) per share on or after January 24, 1997 to shareholders of record on January 2, 1997 and to holders of bearer shares upon presentation of coupon no 9.

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FRANCE

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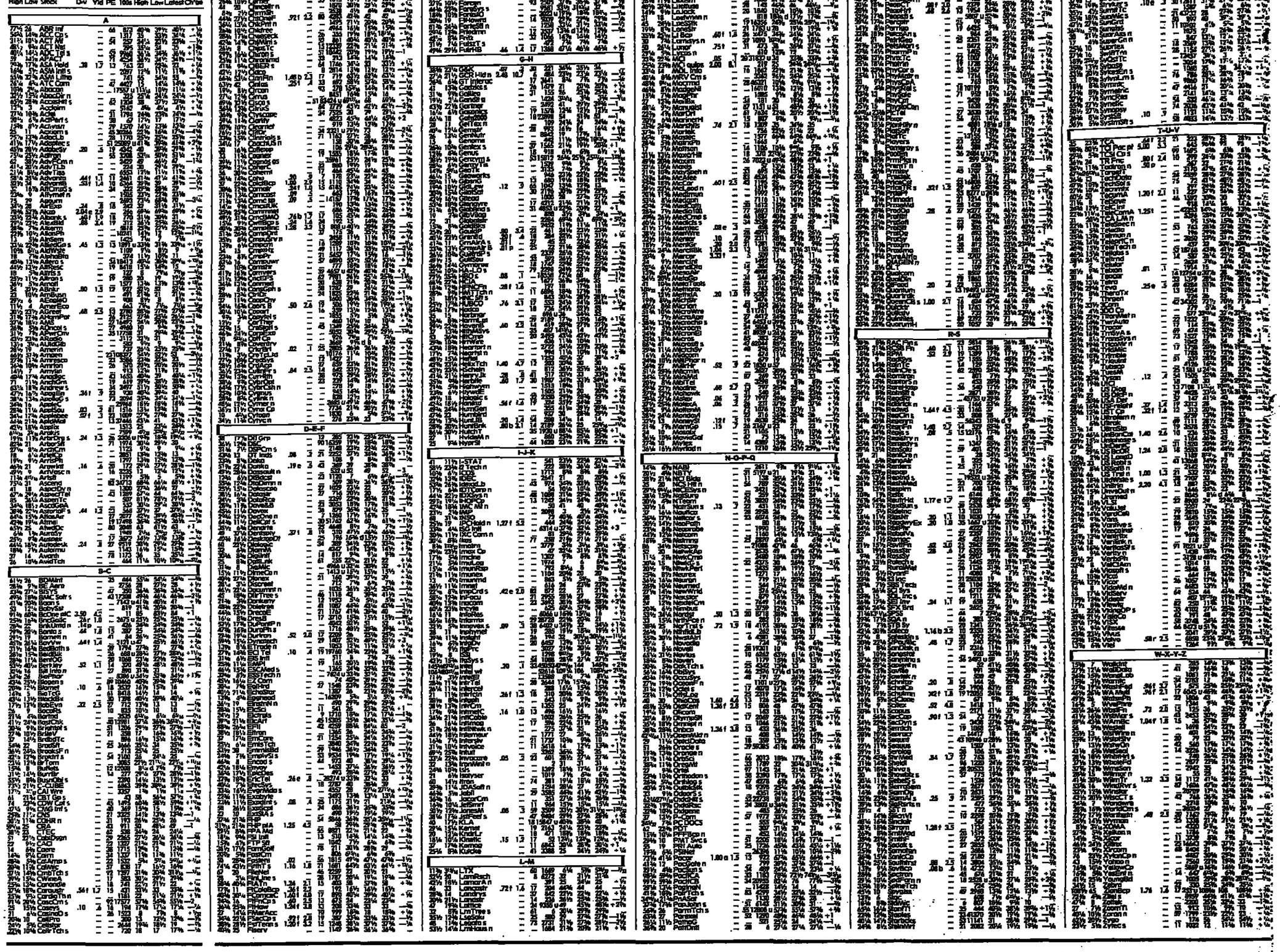
The Associated Press.



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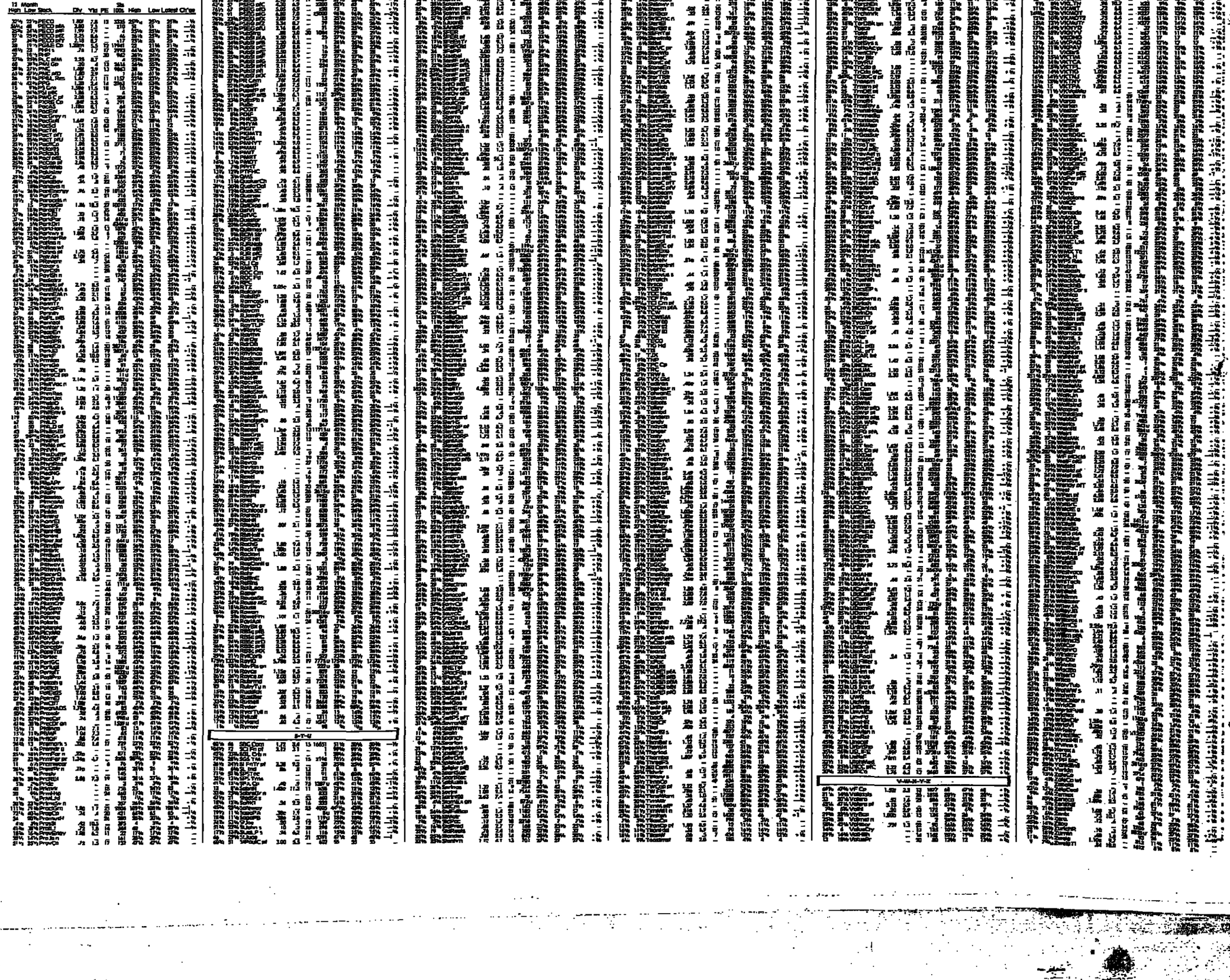

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WORLD ROUNDUP

Patriots and Packers Head for Super Bowl Showdown

Lions Hire Ross

FOOTBALL Bobby Ross, who guided the San Diego Chargers to the Super Bowl two years ago, was named the new head coach of the Detroit Lions on Monday.

Terms were not disclosed, but Ross has reportedly agreed to a five-year, $7.5 million contract.

Ross, who resigned as coach of the Chargers over what was termed "philosophical differences" with general manager Bobby Beathard, replaces Wayne Fontes, who was fired after the season. *(Reuters)*

Woman Wins Dakar Stage

RALLYING Jutta Kleinschmidt made Dakar Rally history Monday when she became the first woman to win a stage.

The German, driving a Buggy, took advantage of the struggle between Mitsubishi's leading trio of drivers to win the 315-kilometer (195-mile) ninth section between Agadez and Oclan in Niger.

Kleinschmidt poses no threat for the Mitsubishis in the overall standings. She lies sixth overall, 4½ hours behind leader Jean-Pierre Fontenay.

The Frenchman took first place from Mitsubishi teammate Kenjiro Shinozuka of Japan by 17 seconds. Fellow Frenchman Bruno Saby was third, eight minutes six seconds behind Fontenay. *(Reuters)*

Unser Faces Charges

The United States Forest Service's plan to prosecute Bobby Unser, the motor racing driver, for entering protected wilderness land on his snowmobile when he got lost for two days in a blizzard in December have caused waves in Washington.

Senator Larry Craig asked the chief of the Forest Service on Monday to explain why Unser is being prosecuted. "The inconceivable nature of this action begs an explanation," said Craig, chairman of the Senate Energy and Natural Resources subcommittee on forests, in a letter to Mike Dombeck of the Forest Service.

Unser said he was unsure, but he might have strayed a quarter-mile or half-mile into Colorado's South San Juan Wilderness on Dec. 20 while snowmobiling with a friend, Robert Gayton. "There's no signs up there that say this is a wilderness," Unser said.

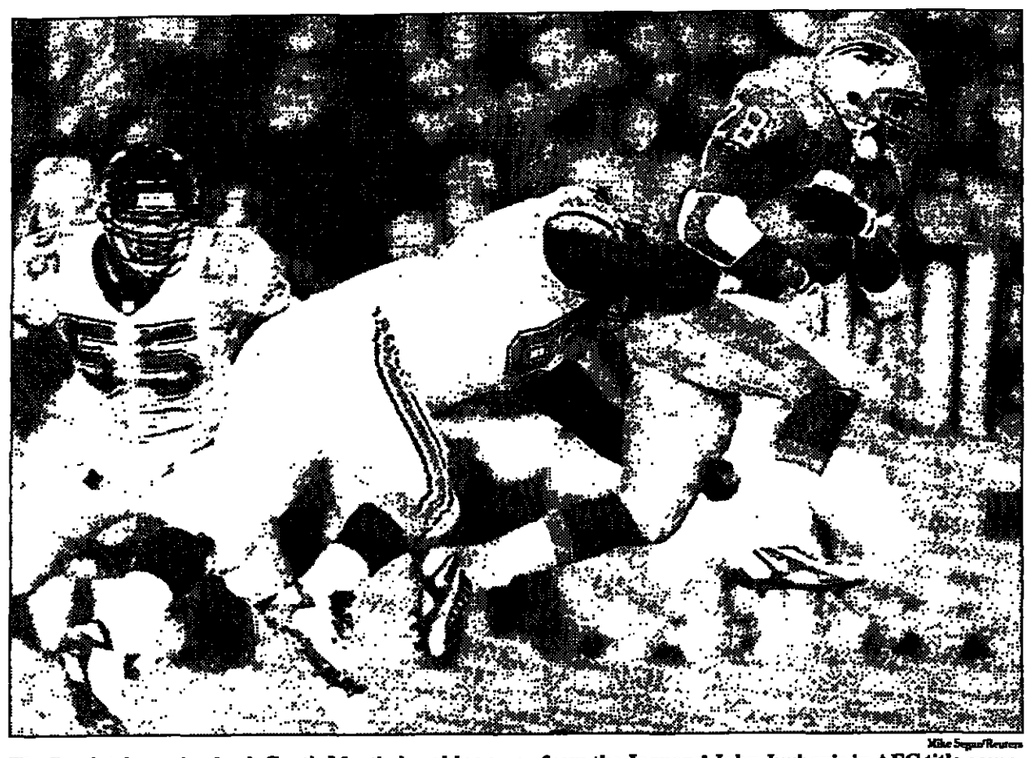
The two became lost in a blizzard for two days after their snowmobile broke down in the national forest.

The Forest Service said Unser was cited for violating the Wilderness Act, which prohibits motorized vehicles like snowmobiles in protected wilderness areas. He could face up to six months in jail and a $5,000 fine, if convicted. *(AP)*

Baby in Charge

SOCCER The owner of a Romanian district soccer team has appointed his six-month-old son as club manager and player, a local newspaper reported Monday.

The daily Sportul Romanesc said Aurel Rusu, owner of the Sadcom team in the eastern village of Caragele, wanted his son Lucian to become "a great soccer player so I decided to introduce him early into sports." *(AP)*



Mike Segar/Reuters

The Patriots' running back Curtis Martin breaking away from the Jaguars' John Jurkovic in AFC title game.

New England Stops Jaguars To Bring AFC Title to Parcells

By Leonard Shapiro
Washington Post Service

FOXBORO, Massachussetts — The New England Patriots found another way to win despite the whipping wind and numbing cold, and their perseverance ended with a 20-6 victory over the Jacksonville Jaguars at Foxboro Stadium for only the second American Football Conference championship in the franchise's 37-year history.

The triumph Sunday was mostly secured when the man they call "Big Play" — free safety Willie Clay — made the largest interception of his life, one of two turnovers in the final four minutes that ended a dream season for the second-year Jaguars.

"We're going to the show, that's right," said Bill Parcells, the Patriots' coach. They are going to New Orleans to face the Green Bay Packers in Super Bowl XXXI on Jan. 26.

If the Patriots win the Super Bowl, Parcells will become the first coach in National Football League history to win that game with two different teams. Parcells took the New York Giants to the summit in 1986 and 1990.

New England prevailed Sunday mostly because of its defense and special teams, and despite an 11-minute halt in play because of a power outage that dimmed the stadium's lights midway through the second quarter.

The Patriots forced four turnovers that led to 17 points, including Otis Smith's 47-yard fumble return for the last touchdown and a 14-point lead with 2 minutes, 24 seconds remaining in the game.

"I was coming in to make a routine play and one of my teammates knocked the ball out," said Smith, who was signed by the Patriots after the New York Jets cut him four games into the season. "I was just fortunate enough to get the ball."

Clay led the Patriots with four interceptions this season. He got his fifth at precisely the right time, with the Jaguars driving toward a potential game-tying touchdown and facing a second and goal at the Patriots 5-yard line.

The Jaguars' quarterback, Mark Brunell, was aiming for tight end Derek Brown in front of him toward the back of the end zone, but Clay left the receiver he initially had been covering and stepped in front of Brown and made the interception with 3:43 to play.

"Aw man, it was a big play," said Clay, an offseason free-agent acquisition from the Detroit Lions. "Otis and I were in a double coverage on No. 82," receiver Jimmy Smith. "I saw the quarterback look over. I just stepped in front."

Once again, the Patriots' defense stepped up its play. It has been playing decently since the Denver Broncos embarrassed the Patriots, 34-8, in Foxboro on Nov. 17. So far in the playoffs the Patriots have allowed only three field goals, and have not yielded a touchdown in 10 quarters.

Many of the Jaguars took the field wearing short-sleeved jerseys, despite temperatures in the mid-20s Fahrenheit (-7 centigrade) at kickoff, winds of 30 miles per hour (48 kilometers per hour) and a wind-chill of zero.

The Jaguars were chilled in the opening minutes of the game by a disastrous sequence on their first attempted punt. After the Patriots forced Jacksonville to kick following their first three plays from scrimmage, Rich Griffith unleashed a high snap.

Punter Bryan Barker jumped to catch the ball. By the time his feet hit the ground, New England's rusher, Larry Whigham, had beaten the block of Darren Studstill and was on to Barker, who was tackled at the Jaguars' 4-yard line.

Two plays and 45 seconds later, New England running back Curtis Martin crashed into the end zone from a yard out. The Patriots had a 7-0 lead less than 2½ minutes into the game, and Martin had scored in his 15th straight home game.

The Patriots were on the move again late in the quarter, with a first down at the Jaguars 19. But quarterback Drew Bledsoe inexplicably threw a pass toward a well-covered tight end, Ben Coates. The ball was tipped by linebacker Tom McManus and intercepted by cornerback Aaron Beasley. The Jaguars took over at their 23, and began driving nicely in the opposite direction.

With Brunell aiming often at tight end Pete Mitchell, Jacksonville moved 62 yards before stalling when Brunell had to throw the ball away on third down under a heavy rush from linebacker Chris Slade. Mike Hollis tucked a 32-yard field goal just inside the right upright, cutting the Patriots' lead to 7-3 with 10:33 left in the first half.

In NFC, Green Bay Overpowers Panthers, 30-13

By Richard Justice
Washington Post Service

GREEN BAY, Wisconsin — Surrounded by reminders of their championship heritage, haunted by their recent playoff failures, the Green Bay Packers ended 29 years of frustration by returning to the only game that would please the great Lombardi.

These Packers hear about Vince Lombardi almost every day. They drive streets bearing his name, they are constantly reminded of his accomplishments and they live in a city where his former players are still legends.

On Sunday afternoon, these Packers moved to the threshold of winning a Lombardi Trophy of their own by defeating the overmatched Carolina Panthers, 30-13, in the National Football Conference championship game.

A roaring sellout crowd of 60,216 filled the parking lots at Lambeau Field three hours before kickoff and stayed late, shrugging off the cold just as their beloved Packers shrugged off the second-year Panthers.

Inside the Green Bay locker room, the celebration was decidedly low-key as players hurried home to watch the New England Patriots win the American Football Conference championship game, 20-6, over the Jacksonville Jaguars.

Again and again, the Packers reminded anyone who would listen that their mission won't be complete unless they win Super Bowl XXXI — and the Lombardi Trophy — on Jan. 26 in New Orleans.

"It has been a fun ride," the Packers' quarterback, Brett Favre, said. "It's not over yet."

The Packers chopped up the National Football League's second-best defense for a team playoff-record 479 yards, including 201 on the ground. They controlled the ball for 38 minutes. They scored on six of seven possessions after a shaky start.

Green Bay's running back Dorsey Levens finished the game with 205 combined yards. He set up the Packers' first touchdown with a 35-yard run and scored it by catching a 29-yard pass from Favre.

Late in the third quarter, Levens turned a screen pass into a 66-yard play to set up the touchdown that gave the Packers a 27-13 lead. For most of his three seasons, he has been Edgar Bennett's anxious backup. On Sunday, he was a star.

"He was special in a special game," the Packers' coach, Mike Holmgren, said. "You need performances like that in a game like this. He had a phenomenal game."

Levens finished with 88 rushing yards and 117 receiving yards. Bennett ran for 99 more. And Favre, the NFL's most valuable player the past two seasons, played at a championship level in throwing two touchdown passes and helping the Packers convert 9 of 17 third-down plays.

Everything else belonged to the NFL's best defense. With mammoth nose tackle Gilbert Brown stuffing the middle, Green Bay allowed Carolina 45 rushing yards and one drive longer than 42 yards.

"They played at a different level than we did today," Carolina's quarterback, Kerry Collins, said.

At the beginning, there were two questions: Would the new sod hold up? What would be the impact of the weather?

Neither the turf nor the weather made a difference. The sod was installed after the field was chewed up in a driving rainstorm during the Packers' playoff victory over the San Francisco 49ers last week.

Temperatures hovered between 3 and 10 degrees Fahrenheit (minus-16 and minus-12 centigrade). There was no snow and only a bit of wind.

The Panthers' coach, Dom Capers, said, "The weather was not a factor."

Seikaly Leads Magic Over the Raptors, 88-85

NBA ROUNDUP

The Associated Press

Rony Seikaly scored 21 points and got 17 rebounds to help the Orlando Magic end an eight-game, road losing streak with an 88-85 victory in Toronto.

It was the second time this season Seikaly has shone against the Raptors. On Jan. 2, he scored all of Orlando's six points in overtime, including the game-winning basket in the final second.

Seikaly and Horace Grant, who scored 22 points and had 11 rebounds, kept the Magic in the game through three quarters, providing numerous second-chance points by outdueling Popeye Jones and company under the basket.

Seikaly had 11 points and 10 rebounds in the first half while Grant had 14 points through two quarters, keeping the Magic within striking distance until Anfernee Hardaway, who scored 10 of his 16 points in the fourth quarter, could find his rhythm.

The Raptors, coming off consecutive victories, led by 13 points with less than two minutes to play in the third quarter when Brian Shaw's 3-pointer sparked a 17-2 run that ended with the Magic going ahead on Seikaly's field goal.

The lead changed hands several times before Darrell Armstrong's 10-foot jumper put the Magic up 82-80 with 2:30 to play. Carlos Rogers tied it with a short hook before Seikaly's field goal put the Magic ahead, 85-83, with 1:02 remaining. Seikaly then made the second of two free throws for an 86-83 lead with 22 seconds to play.

Damon Stoudamire had 19 points and a season-high 14 assists for Tornoto, and Jones had 13 points and 10 rebounds.

Toronto went 18-of-30 from the free-throw line, including an 0-for-6 stretch in the fourth quarter.

Bucks 111, Warriors 93 Ray Allen scored 22 points and Vin Baker had 17 points and 12 rebounds for the Bucks, who led, 79-66, after three quarters and scored the first five points of the final quarter. Latrell Sprewell led the Warriors with 21 points.

Golden State's Mark Price became the 201st player in National Basketball Association history to score 10,000 points when he made a lay-up with 1:36 left in the first period, his first points of the game.

Hornets 97, Kings 93 Glen Rice and Anthony Mason each scored five points in Charlotte's 14-4 run that gave it a 90-85 lead with 2:47 to play.

Rice finished with 26 points and Mason added 24 points and 11 rebounds.

SCOREBOARD

FOOTBALL

NFL PLAYOFFS

CONFERENCE CHAMPIONSHIPS
SUNDAY RESULTS
Green Bay 30, Carolina 13
New England 20, Jacksonville 6

SUPER BOWL
SUNDAY, JAN. 26 AT NEW ORLEANS
Green Bay vs. New England, 6:18 p.m. EST

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

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Miami	25	10	.714	1
Washington	19	15	.559	6½
Orlando	13	18	.419	11
New Jersey	9	23	.281	15½
Boston	8	25	.242	17
Philadelphia	8	26	.235	17½
CENTRAL DIVISION				
Chicago	31	4	.886	—
Detroit	26	8	.765	4½
Atlanta	21	11	.656	8½
Cleveland	21	13	.618	9½
Charlotte	19	16	.543	12
Milwaukee	18	17	.514	13
Indiana	16	17	.485	14
Toronto	12	23	.343	19

WESTERN CONFERENCE

MIDWEST DIVISION	W	L	Pct	GB
Houston	27	9	.750	—
Utah	23	12	.657	3½
Minnesota	16	19	.457	10½
Dallas	12	20	.375	13
San Antonio	9	25	.265	17
Denver	9	26	.257	17½
Vancouver	7	29	.194	20
PACIFIC DIVISION				
L.A. Lakers	27	10	.730	—
Seattle	26	11	.703	1
Portland	19	16	.543	7
Sacramento	15	22	.405	12
L.A. Clippers	14	21	.400	12
Golden State	13	21	.382	12½
Phoenix	11	24	.314	15

SUNDAY'S RESULTS

Orlando 27 15 22 24— 88
Toronto 26 22 23 14— 85
O: Grant 9-14 4-5 22, Seikaly 9-19 3-6 21; T: Williams 8-19 3-5 22, Stoudamire 5-16 7-8 19. Rebounds—Orlando 58 (Seikaly 17), Toronto 55 (Jones 10). Assists—Orlando 19 (Anderson 7), Toronto 26 (Stoudamire 14).
Golden State 22 25 19 27— 93
Milwaukee 29 22 28 32—111
G.S.: Sprewell 7-16 5-6 21, Smith 8-16 2-2 18; M: Allen 9-20 2-2 22, Baker 6-14 5-7 17. Rebounds—Golden State 38 (Smith 7), Milwaukee 60 (Baker 12). Assists—Golden State 20 (Sprewell 6), Milwaukee 30 (Perry, Allen 6).
Charlotte 25 20 24 28—97
Sacramento 23 23 26 21—93
C: Rice 7-18 9-10 26, Mason 10-16 4-9 24; S: Abdul-Rauf 10-18 0-0 22, Williamson 8-15 2-2 18. Rebounds—Charlotte 51 (Divac 15), Sacramento 43 (McSmith 14). Assists—Charlotte 18 (Bogues 11), Sacramento 23 (Richmond 5).

THE AP TOP 25

The top 25 teams in The Associated Press' college basketball poll, with first-place votes in parentheses, records through Jan. 12, total points based on 25 points for a first-place vote through one point for a 25th-place vote, and last week's ranking:

	Record	Pts	Prv
1. Kansas (57)	16-0	1,761	1
2. Wake Forest (14)	12-0	1,718	2
3. Clemson	14-1	1,582	5
4. Cincinnati	11-2	1,507	6
5. Kentucky	14-2	1,435	3
6. Arizona	10-2	1,393	7
7. Minnesota	15-1	1,362	11
8. Iowa St.	11-1	1,316	4
9. Utah	10-2	1,251	9
10. Louisville	13-1	1,119	14
11. Maryland	14-1	899	19
12. New Mexico	13-2	855	18
13. Duke	11-4	813	10
14. Xavier, Ohio	11-1	784	12
15. Stanford	10-2	723	21
16. Villanova	12-3	698	8
17. Indiana	14-3	671	15
18. Michigan	11-4	515	16
19. Boston College	10-2	484	23
20. Mississippi	11-3	393	—
21. Georgia	12-2	373	24
22. North Carolina	9-4	275	13
23. Texas	8-4	247	22
24. Oregon	10-2	177	17
25. Texas Tech	10-3	169	20

Others receiving votes: Iowa 92, Colorado 80, Marquette 76, Connecticut 65, Illinois 65, Virginia 35, Providence 22, Pacific 20, Coll. of Charleston 15, E. Michigan 8, Florida St. 8, Arkansas 7, Alabama 6, New Orleans 6, Rhode Island 6, Tulsa 5, Texas Christian 4, West Virginia 4, Fresno St. 3, Hawaii 2, Tulane 2, UCLA 2, Princeton 1, SW Missouri St. 1.

TOP 25 COLLEGE RESULTS

How the top 25 teams in The Associated Press' college basketball poll fared last week:

1. Kansas (16-0) beat No. 22 Texas 86-61; beat Niagara 134-73; beat Baylor 87-68. 2. Wake Forest (12-0) beat Georgia Tech 73-63; beat No. 10 Duke 81-69. 3. Kentucky (14-2) beat Mississippi State 90-61; beat Canisius 68-45; lost to Mississippi 73-69. 4. Iowa State (11-1) lost to Marquette 67-64; beat Oklahoma 82-55. 5. Clemson (14-1) beat No. 19 Duke 86-82, OT; beat Florida State 76-70.
6. Cincinnati (11-2) beat Alabama-Birmingham 74-54; beat Miami, Ohio 91-61. 7. Arizona (10-2) beat Arizona State 92-84. 8. Villanova (12-3) lost to Providence 91-68; beat Oral Roberts 64-46; lost to Miami 61-59. 9. Utah (10-2) beat Brigham Young 61-51. 10. Duke (11-4) lost to No. 5 Clemson 86-82, OT; lost to No. 2 Wake Forest 81-69.
11. Minnesota (15-1) beat No. 15 Indiana 96-91, OT; beat No. 16 Michigan 70-64. 12. Xavier, Ohio (11-1) lost to Dayton 98-91; beat Fordham 75-64. 13. North Carolina (9-4) lost to No. 19 Maryland 85-75; lost to Virginia 75-63. 14. Louisville (13-1) beat North Carolina Charlotte 92-81; beat Georgia Tech 60-56. 15. Indiana (14-3) lost to No. 11 Minnesota 96-91, OT.
16. Michigan (11-4) beat No. 25 Illinois 88-74; lost to No. 11 Minnesota 70-64. 17. Oregon (10-2) lost to Washington State 81-76; lost to Washington 78-77. 18. New Mexico (13-2) beat Texas Christian 79-64; beat Southern Methodist 78-58. 19. Maryland (14-1) beat No. 13 North Carolina 85-75; beat North Carolina State 68-59. 20. Texas Tech (10-3) beat Oklahoma State 73-64; lost to Colorado 80-78.
21. Stanford (10-2) beat UCLA 109-61; beat Southern Cal 85-70. 22. Texas (8-4) lost to No. 1 Kansas 86-61; beat Kansas State 104-63. 23. Boston College (10-2) beat Syracuse 94-83; beat Notre Dame 73-61. 24. Georgia (12-2) beat Vanderbilt 61-53. 25. Illinois (12-4) lost to No. 16 Michigan 88-74; beat Penn State 85-70.

HOCKEY

NHL STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION	W	L	T	Pts	GF	GA
Philadelphia	26	13	5	57	144	109
Florida	22	11	9	53	124	96
N.Y. Rangers	23	18	6	52	159	128
New Jersey	21	16	5	47	109	108
Washington	16	20	5	41	114	113
Tampa Bay	16	20	6	38	124	135
N.Y. Islanders	12	21	9	33	108	127
NORTHEAST DIVISION						
Pittsburgh	23	15	5	51	161	135
Buffalo	22	17	5	49	130	120
Montreal	17	19	8	42	146	152
Hartford	17	19	7	41	128	141
Boston	16	20	6	38	124	153
Ottawa	12	21	8	32	110	124
WESTERN CONFERENCE						
CENTRAL DIVISION						
Dallas	24	16	3	51	127	107
Detroit	21	15	7	49	134	98
Phoenix	19	21	4	42	120	141
St. Louis	19	22	4	42	127	146
Chicago	17	21	8	42	121	128
Toronto	17	26	8	34	130	153
PACIFIC DIVISION						
Colorado	26	10	8	60	150	101
Edmonton	20	21	4	44	145	136
Vancouver	20	21	1	41	133	142
Anaheim	17	21	5	39	124	132
Calgary	16	23	5	37	110	130
Los Angeles	16	23	4	36	118	144
San Jose	15	22	5	35	107	131

SUNDAY'S RESULTS

Anaheim 1 2 0—3
Vancouver 0 2 0—2
First Period: A-Bellows 6 (Mironov) Second Period: V-Walton 3 (Ridley, Courneoll) 3. A-Selanne 25 (Rucchin) 4. V-Sillinger 10 (Rohlin) (sh). 5. A-Kariya 16 (Rucchin, Korpa) (pp). Third Period: None. Shots on goal: A- 14-17-10—41. V- 7-9-7—23. Goalies: A-Hebert. V-McLean

New Jersey 0 0 0—0
N.Y. Rangers 1 0 2—3
First Period: New York, Messier 25 (Vorobiev) Second Period: None. Penalties—None. Third Period: New York, Samuelsson 4 (Gretzky, Karpovtsev). 2. New York, Rolaltaille 18 (Gretzky, Sundstrom) Shots on goal: N.J.- 7-12-14—33. New York 9-13-5—27. Goalies: N.J.-Brodeur, Dunham. New York, Richter.

Hartford 0 1 0 0—1
Edmonton 1 0 0 1—2
First Period: E-Weight 13 (Smyth, Mironov) (pp). Second Period: H-Burt 2 (Cassels) Third Period: None. Overtime: 2. E-Lindgren 6 (Weight, Setan) Shots on goal: H- 12-6-10-0—28. E- 10-9-9-2—30. Goalies: H-Burke. E-Joseph.

Buffalo 1 0 1 1—3
Phoenix 0 1 1 0—2
First Period: B-Holzinger 13 (Audette, May) Second Period: Phoenix, Tkachuk 27 (Gartner, Roenick) (pp). Third Period: B-Peca 9 (Ward) (sh). 4, Phoenix, Korolev 1 (Roenick, Manson) (pp). Overtime: 5, B-Dawe 11,. Shots on goal: B- 9-11-9-1—30. Phoenix 7-10-17-0—34. Goalies: B-Hasek. Phoenix, Khabibulin.

GOLF

MERCEDES CHAMPIONSHIPS

Final scores Sunday of the rain-shortened $1.2 million Mercedes Championships on the 7,022-yard, par-72 La Costa Resort and Spa course at Carlsbad, Calif.. Sunday's fourth round was cancelled due to rain (x-won on first hole of sudden-death playoff):

x- Tiger Woods	70-67-65—202
Tom Lehman	66-67-69—202
Guy Boros	69-68-70—207
Paul Goydos	67-71-70—208
Fred Couples	69-69-70—208
Steve Jones	70-71-68—209
Davis Love III	70-67-72—209
John Cook	70-71-69—210
Corey Pavin	70-68-72—210
Jim Furyk	67-68-75—210

CRICKET

INDIA TOUR
3D DAY OF 3-DAY MATCH
FREE STATE VS. INDIA
MONDAY, IN BLOEMFONTEIN, S. AFRICA
Free State: 329-7 declared and 259-2 declared
India: 296-6 declared and 185-6
Free State and India match ended in a draw

ENGLAND TOUR
1ST DAY OF 4-DAY MATCH
NEW ZEALAND XI VS. ENGLAND
MONDAY, IN PALMERSTON NORTH
New Zealand Selection XI innings: 138 all out
England innings: 106 for three

SOCCER

WORLD CUP QUALIFIERS
SOUTH AMERICAN ZONE
Bolivia 2, Ecuador
Peru 2 Chile 1
Uruguay 0 Argentina 0
Standings: 1. Colombia 17 point. 2. Paraguay 14. 3. Argentina 10. 4. Uruguay 10. 5.. Bolivia 9. 6. Ecuador 9. 7. Peru 9. 8. Chile 8. 9. Venezuela 1.

ITALIAN FIRST DIVISION
Bologna 0, Parma 1
Juventus 0, Atalanta 0
Milan 1, Vicenza 0
Napoli 1, Inter 2
Piacenza 0, Udinese 0
Reggiana 0, Fiorentina 0
Roma 4, Perugia 1
Verona 1, Lazio 1
Sampdoria 4, Cagliari 1
Standings: 1. Juventus 30 points. 2. Sampdoria 28, 3 Inter 28, 4. Vicenza 26. 5. Fiorentina 25. 6. Milan 24. 7. Parma 24. 8. Lazio 23. 9. Roma 23. 10. Napoli 23. 11. Bologna 22. 12. Atalanta 21. 13. Udinese 19. 14. Piacenza 18. 15. Perugia 17. 16. Cagliari 14. 17. Verona 11. 18. Reggiana 10.

TENNIS

HILLSOUTH OPEN
MONDAY, IN AUCKLAND, NEW ZEALAND
FINAL
Jonas Bjorkman, Sweden, def. Kenneth Carlsen, Denmark, 7-6 (7-0), 6-0.

AUSTRALIAN OPEN
WOMEN SINGLES 1st ROUND
Asa Carlsson, Sweden, def. Petra Langrova, Czech Republic, 6-3, 6-2; Steffi Graf (1), Germany, def. Janette Husarova, Slovakia, 5-7 retired; Tamarine Tanasugarn, Thailand, def. Elena Makarova, Russia, 6-3, 1-6, 6-4; Brenda Schultz-McCarthy (15), Netherlands, def. Park Sung-hee, South Korea, 6-2, 2-6, 6-2; Larisa Neiland, Latvia, def. Evie Dominikovic, Australia, 6-2, 6-7 (2-7), 6-0.
Rika Hiraki, Japan, def. Lucinda Richterova, Czech Republic, 6-4, 2-6, 6-4; Conchita Martinez (3), Spain, def. Miriam Oremans, Netherlands, 6-0, 6-2; Amanda Coetzer (12), South Africa, def. Anna Kournikova, Russia, 6-2, 6-2; Maria Luisa Serna, Spain, def. Mitsu Saeki, Japan, 6-3, 6-7 (6-8), 7-5; Wiltrud Probst, Germany, def. Sandra Cacic, U.S., 6-4, 2-6, 7-5.
Ines Gorrochategui, Argentina, def. Bryanne Stewart, Australia, 6-2, 6-1; Sabine Appelmans (16), Belgium, def. Helena Sukova, Czech Republic, 6-2, 6-2; Ann Grossman, U.S., def. Anne Miller, U.S., 7-5, 6-2; Annabel Ellwood, Australia, def. Lori McNeil, U.S., 6-3, 6-2; Lindsay Lee, U.S., def. Barbara Mulej, Slovenia, 2-6, 6-3, 6-2.
Adriana Gersi, Czech Republic, def. Sandra Dopfer, Austria, 7-6 (9-7), 6-2; Natalia Medvedeva, Ukraine, def. Chen Li, China, 6-2, 3-6, 6-3; Ai Sugiyama, Japan, def. Catalina Cristea, Romania, 7-6 (7-3), 6-4; Gigi Fernandez, U.S., def. Elis Callens, Belgium, 6-4, 6-3; Kimberley Po, U.S., def. Gala Leon Garcia, Spain, 4-6, 7-6 (7-4), 6-2.
Florencia Labat, Argentina, def. Anne Kremer, Luxembourg, 7-5, 4-6, 6-2; Henrieta Nagyova, Slovakia, def. Emmanuelle Gagliardi, Monaco, 6-3, 7-6 (7-5); Patricia Hy-Boulais, Canada, def. Alexia Dechaume-Balleret, France, 6-0, 2-6, 6-4; Natasha Zvereva, Belarus, def. Nancy Feber, Belgium, 7-6 (11-9), 6-1.
Noelle van Lottum, France, def. Sabine Hack, Germany, 4-6, 6-3, 6-2; Virginia Ruano-Pascual, Spain, def. Cristina Torrens-Valero, Spain, 4-6, 7-6 (7-4), 6-2; Rossanda Dragomir, Romania, def. Judith Wiesner (11), Austria, 4-6, 6-3, 10-8; Marlaka Kochta, Germany, def. Marianne Werdel Witmeyer, U.S., 4-6, 7-6 (7-4), 6-0.
Jane Taylor, Australia, def. Maria Antonia Sanchez Lorenzo, Spain, 7-5, 4-6, 7-5; Kristina Brandi, U.S., def. Petra Begerow, Germany, 6-1, 6-1; Jana Kandarr, Germany, def. Kyoko Nagatsuka, Japan, 6-3, 3-6, 6-3; Mary Pierce, France, def. Elena Likhovtseva (13), Russia, 3-6, 6-2, 6-4.
MEN SINGLES 1st ROUND
Stephane Simian, France, def. Gala Blanco, Spain, 6-4, 6-2, 6-4; Todd Woodbridge, Australia, def. Mark Knowles, Bahamas, 6-4, 6-2, 6-1; Michael Chang (2), U.S., def. Kris Goossens, Belgium, 6-0, 6-3, 6-1; Dennis van Scheppingen, Netherlands, def. Byron Black, Zimbabwe, 7-6 (7-5), 7-6 (7-3), 6-4; Alex Corretja, Spain, def. Toby Mitchell, Australia, 7-6 (7-2), 6-0, 6-2.
Richard Fromberg, Australia, def. Brett Steven, New Zealand, 4-6, 2-6, 7-5, 6-3, 6-1; Fernando Meligeni, Brazil, def. David Prinosil, Germany, 5-7, 1-6, 6-1, 7-5, 9-7; Bernd Karbacher, Germany, def. Marcos Aurelio Gorriz, Spain, 6-4, 7-6 (7-4), 1-6, 6-3; Karsten Braasch, Germany, def. Alex O'Brien, U.S., 3-6, 6-3, 6-4, 7-5; Michael Stich (15), Germany, def. Patrik Fredriksson, Sweden, 6-3, 6-2, 6-2.
Thomas Johansson, Sweden, def. Martin Damm, Czech Republic, 6-4, 6-2, 3-6, 6-7 (2-7), 6-2; Gilbert Schaller, Austria, def. Alex Reichel, U.S., 6-4, 6-3, 6-2; Andrei Medvedev, Ukraine, def. Thierry Champion, France, 7-5, 6-2, 6-2; Richey Reneberg, U.S., def. Oscar Burrieza, Spain, 2-2 retired; Thomas Enqvist (7), Sweden, def. Nicolas Pereira, Venezuela, 6-1, 6-2, 6-4.
Magnus Gustafsson (12), Sweden, def. Grant Doyle, Australia, 6-7 (2-7), 6-3, 7-5, 6-1; Grant Stafford, South Africa, def. Jordi Burillo, Spain, 6-0, 6-1, 2-0 retired; Thomas Muster (5), Austria, def. Geoff Grant, U.S., 6-3, 6-4, 6-2; Carlos Moya, Spain, def. Boris Becker (8), Germany, 5-7, 7-6 (7-4), 3-6, 6-1, 6-4; Thomas Carbonell, Spain, def. Daniel Vacek, Czech Republic, 6-2, 7-6 (7-5), 7-5.
Jean-Philippe Fleurian, France, def. Hicham Arazi, Morocco, 7-5, 6-0, 6-3; Patrick McEnroe, U.S., def. Andrei Olhovskiy, Russia, 7-6 (7-4), 6-2, 6-4; Tim Henman, Britain, def. Andrei Pavel, Romania, 7-5, 6-4, 6-2; Chris Woodruff, U.S., def. Magnus Norman, Sweden, 6-4, 6-1, 6-1; Dominik Hrabaty, Slovakia, def. Sandon Stolle, Australia, 1-6, 7-5, 7-5, 6-7 (4-7), 6-1.
Eyal Ram, Israel, def. Justin Gimelstob, U.S., 6-3, 7-6 (7-4), 3-6, 6-4; Felix Mantilla (13), Spain, def. Greg Rusedski, Britain, 6-4, 5-7, 7-5, 6-2; Gustavo Kuerten, Brazil, def. Mikael Tillstrom, Sweden, 7-5, 7-6 (11-9), 3-6, 6-4; Jens Knippschild, Germany, def. Sebastien Lareau, Canada, 6-2, 6-7 (2-7), 7-6 (7-5), 6-3; Renzo Furlan, Italy, def. Andrei Cherkasov, Russia, 6-4, 4-6, 6-3, 6-4; Javier Frana, Argentina, def. Pat Cash, Australia, 6-4, 6-4, 6-3.

TRANSITIONS

BASKETBALL
NATIONAL BASKETBALL ASSOCIATION
PHILADELPHIA—Put F Derrick Coleman on injured list.
PORTLAND—Suspended F Clifford Robinson for 1 game for his actions during and after the Miami game on Jan. 8.

FOOTBALL
NATIONAL FOOTBALL LEAGUE
GREEN BAY—Put LB George Koonce on injured reserve. Signed QB Kyle Wachholtz from the practice squad.
SEATTLE—Signed S Jay Bellamy to 2-year contract extension. Signed G Greg Bloedorn to 2-year contract.

HOCKEY
NATIONAL HOCKEY LEAGUE
NHL—Suspended New York Islanders D Rich Pilon, pending hearing, for match penalty he received for slashing Pittsburgh C Mario Lemieux in game on Jan. 10.
LOS ANGELES—Agreed to terms with C Donald MacLean on 3-year contract.

COLLEGE
NCAA—Denied the eligibility petition filed on behalf of Temple basketball forward Quincy Wadley.
BOISE STATE—Suspended F Tony Norman indefinitely from basketball team for missing practices.
IDAHO STATE—Suspended F David Hickman, G Dedric Bell, G Stephen Brown, F Cedric Robinson and G Rapheal Fondren from the basketball team for the rest of the season after being sentenced to probation and fines for shoplifting.
NORTHERN IOWA—Named Mike Dunbar football coach.
SOUTHERN UTAH—Named Jeff Hammerschmidt interim football coach.

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SPORTS

Becker Loses His Cool, Falling in First Round

Moya Stages Upset in Australia

By Robin Finn
New York Times Service

MELBOURNE — He blamed the searing summer sun for scrambling his brains like eggs in a frying pan. He blamed the soft tennis balls for robbing him of his power and enhancing his opponent's loopy topspin. But when Boris Becker, the defending champion, looked in the mirror Monday after his first match at the Australian Open turned out to be his last, he blamed himself for the 87 unforced errors that told the true tactical tale behind his early removal as the defending champion.

"I barely made a backhand return, and by the fourth set my forehand started to go away as well, and then the only thing I had was my serve," said Becker, who succumbed 5-7, 7-6(4), 3-6, 6-1, 6-4, to Carlos Moya, a 20-year old Spaniard.

"No excuses: I tried my best, but he was the better man," said Becker, who exploited just 5 of the 18 break points he held against Moya's serve.

The Spaniard's only previous Australian Open experience was a first-round exit last year, but that was overridden by a positive experience in his only previous meeting with Becker: He beat him on a slick indoor surface in Paris three months ago.

"The victory over Boris in Paris is more than a victory, because then I realized I can beat anybody on any kind of surface," Moya said. "At least I can go to a court to fight, not as a loser."

Becker was one of only two seeds to fall on opening day. Elena Likhovtseva, the 13th seed, was ousted by unseeded Mary Pierce, who won her first and only Grand Slam crown in Melbourne in 1995. Likhovtseva spoiled Pierce's title defense last year with a 6-4, 6-4 upset in the second round. This time, Pierce, ranked 22d, came back to win, 3-6, 6-2, 6-4.

In contrast to Becker's struggle, peers like last year's runner-up, the 2d-seeded Michael Chang, 6th-seeded Thomas Muster, top-seeded Steffi Graf, and 3d-seeded Conchita Martinez all advanced in straight sets.

Becker, a star attraction in a spotty men's field that now boasts just two former champions, Pete Sampras and Jim Courier, disintegrated in five sets. He wilted in heat he estimated at 120 degrees Fahrenheit (49 degrees centigrade) on court against a barrage of ground strokes from the weather-resistant Moya.

As the court turned from showcase to cauldron to crucible for the proud German, whose triumph here in 1996 halted a five-year drought in Grand Slam tournaments, Becker did a slow burn and, finally, a sorry fade. There were moments when he looked and felt not just molten but immobile.

"My brain is scrambled eggs right now," he said later, "because I'm burning. Especially my feet and legs are really hot, and there were times that I couldn't move at all because I was afraid I'd lose the skin on my feet."

The upset took three hours 31 minutes and ended when an obviously disheartened Becker pushed a backhand return out of bounds on his challenger's second match point.

The 25th-ranked Moya felt that the steamy weather helped his cause and was detrimental to Becker.

"I'm still young and he's 28 or 29," said Moya, who then tried to avoid appearing undiplomatic. "Nobody can beat Boris when he's 100 percent."

The last time a defending champion of the Australian Open fell in the first round was Roscoe Tanner in 1977.

Becker, who continued to accuse this and other Slam tournaments of using softer balls to slow down the men's game and blunt the power of its ace-mongers, considered this a premature conclusion to his 1997 Slam campaign.

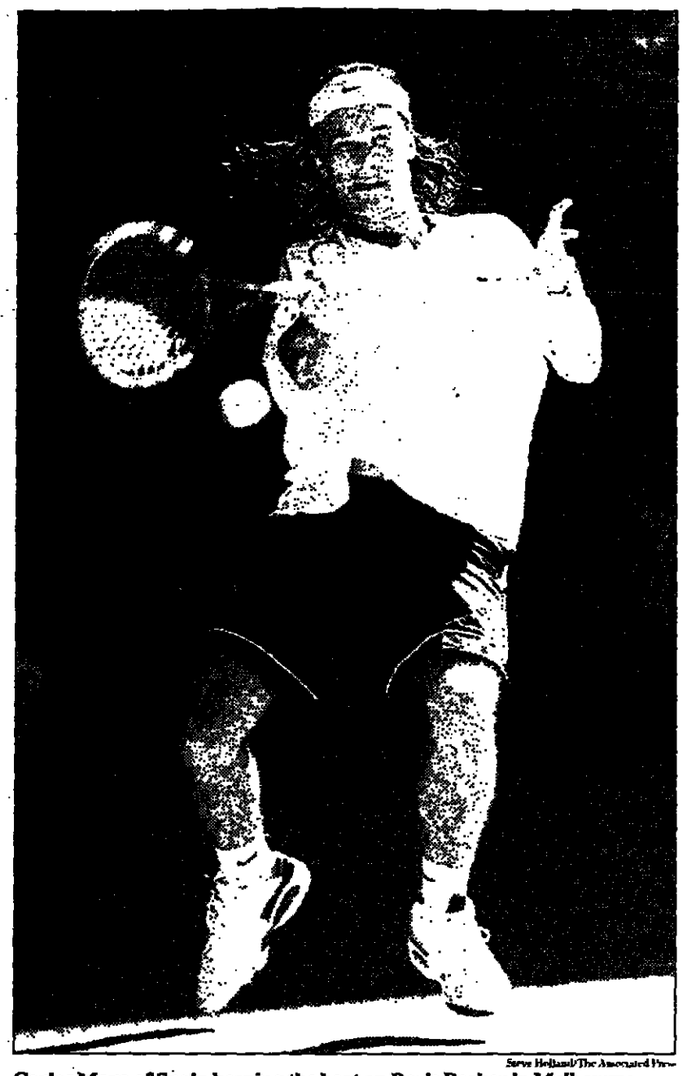
After a four-month layoff due to a wrist injury he suffered at Wimbledon (and has since blamed on politically correct-but-too-soft tennis balls), Becker finished 1996 with a 12-3 record in his last four events. But on Monday, he admitted that he lost his timing along with his cool.

In the night session Monday, Graf's opponent, 79th-ranked Janette Husarova of Slovakia, had to be taken off the stadium court in a wheelchair after she wrenched her left knee while chasing a passing shot at the end of the first and only set of their abbreviated match. Graf, who rushed to her fallen opponent with an ice pack and tended her until the medical crew arrived, won the 22 minute match, 5-1, by default.

Chang provided first aid to a ball girl who fainted in the third set of his otherwise unremarkable 6-0, 6-3, 6-1 outing against Kris Goossens of Belgium. Chang furnished a chilled towel to help revive the girl.

"I think she had a bit too much heat," Chang said.

Anna Kournikova, the 15-year-old phenomenon and youngest woman in the draw, fell prey to her own impatience and was trounced, 6-2, 6-2, by 12th-seeded Amanda Coetzer of South Africa, a semifinalist in 1996.



Steve Holland/The Associated Press
Carlos Moya of Spain keeping the heat on Boris Becker in Melbourne.

Tiger Woods Scatters Clouds With One Shot

By Larry Dorman
New York Times Service

CARLSBAD, California — What could have been grand and telling drama, 18 holes of golf with the current and future king of the game battling back and forth across La Costa, came down to one startling moment, one shaft of pure light bursting through the rain clouds that covered the Mercedes Championships.

That light was provided by Tiger Woods, golf's incandescent wunderkind, who turned a rainy, soggy one-hole playoff Sunday into an event worth remembering. Hitting second, after Tom Lehman's tee shot ballooned in the wind and dived into the water hazard fronting the seventh green, the 21-year-old Woods lasered a 6-iron through the gloom and nearly into the hole.

The ball hit one foot from the cup and spun back 8 inches away for a tap-in birdie and Woods's third victory in just nine PGA Tour starts.

Just like that. One tournament gone in 1997, one tournament won by Woods.

"It's a perfect start," he said.

It certainly was a startling one. With rain soaking the grounds at La Costa Resort and Spa, rendering all but one hole of the golf course unplayable, PGA Tour officials decided to shorten the tournament to 54 holes and settle the tie between Lehman, the 1996 player of the year, and Woods, the 1996 rookie of the year, with sudden death.

After play had been suspended for 2 hours 45 minutes, the decision was made to pay the rest of the field and send the two players who were tied at 14 under par out to the tee at the seventh hole to settle things.

"I would have preferred to play them all," Lehman said, "but what are you going to do?"

What Lehman did was make a bad pass at a bad time. The yardage he and his caddie Andy Martinez decided on was 181 yards (165 meters) to the hole.

Interestingly, Woods and his caddie, Mike Cowan, decided on 186. Those 5 yards may or may not have made a difference, but Lehman's 6-iron shot was well below his standards, plummeting into the lake 4 yards short of the bank.

"I was shocked," Woods said. "Very shocked."

So was Lehman. As he watched the ball's flight, his expression said everything. His shoulders slumped as the ball splashed.

"The ground was muddy," Lehman said. "Maybe I teed it up too high, I don't know. I hit the ball on the top of the clubface, the wind got it, and away she went, into the water."

When that happened, whatever potential drama remained seemed to drain right out of the proceedings. All Woods needed to do was put the ball safely on the green and two-putt for par. Lehman would have to hole out an 80-yard shot for a par to have any chance of halving the hole.

But, among the other astonishing attributes Tiger Woods is bringing to the game of golf, a sense of moment is very high on the list. He set up at the middle of the tee, ripped at his 6-iron shot and drew the ball very nearly into the hole. It was stunning.

"Gosh," said Lehman, "what can you say about that? Tiger hit a great shot. You've got to take your hat off to a guy who, when the other guy is in the water, steps up and hits it stiff."

With the victory and the check of $216,000 that went with it, Woods has now earned $1,006,594 in just nine events. The previous record for the fastest million in PGA Tour events belonged to Ernie Els, who did it in 28 events.

Richter Outshines All-Star As Rangers Blank Devils

The Associated Press

Martin Brodeur is going to the National Hockey League All Star game. Mike Richter is not. But Richter was the star as the New York Rangers beat the Brodeur and the New Jersey Devils, 3-0. Richter made 33 saves Sunday for his third shutout of the season and 17th of his career.

Wayne Gretzky set up a pair of third-period goals to break open a close game. Gretzky set up Ulf Samuelsson 57 seconds into the third period for a 2-0 Rangers lead. Gretzky and Luc Robitaille worked a give-and-go 1:54 later to make it 3-0.

Mighty Ducks 3, Canucks 2 In Vancouver, Teemu Selanne and Paul Kariya scored second-period goals as Anaheim beat the Canucks to avenge a 5-1 beating last week. Selanne notched his 25th goal and Kariya added a power-play goal for the Ducks.

Oilers 2, Whalers 1 In Edmonton, Mats Lindgren scored a power-play goal 2:27 into overtime as the Oilers sent Hartford to its fourth straight loss. Lindgren, standing in front of Hartford's goaltender, Sean Burke, redirected a shot from Doug Weight to give Edmonton its first overtime victory this season.

Sabres 3, Coyotes 2 Jason Dawe took the puck away from Dave Manson and scored unassisted 10 seconds into overtime, lifting visiting Buffalo over Phoenix.

■ 11 Groups Want NHL Teams

Eleven groups seeking the right to spend at least $75 million to join the National Hockey League are getting a chance to extol their virtues before the league's executive committee.

The league started hearing presentations Monday from 11 groups representing nine cities — there are three groups from Houston. The NHL has not yet decided how many franchises to award, how much to charge for them or when they would start playing.

Houston's three groups, along with Columbus, Ohio; St. Paul, Minnesota, and Hamilton, Ontario, made their pitches Monday. On Tuesday, officials from Hampton Roads, Virginia; Oklahoma City; Nashville, Tennessee; Raleigh, North Carolina, and Atlanta will make their presentations.

The league is not expected to say which cities are in until at least March. The NHL has 26 teams and would reportedly like to get to 30 by 2000.

NHL ROUNDUP

Oldest South American Rivals Lack Teeth

Reuters

The South American World Cup qualifying competition was thrown wide open when Peru and Bolivia both won to rekindle their hopes, while the continent's oldest foes, Uruguay and Argentina, drew 0-0 in Montevideo.

Only two points separate third-place Argentina from eighth-place Chile as the marathon competition, in which the nine teams play each other twice, nears the halfway mark.

The top four teams in the group qualify for the 1998 World Cup in France, with Brazil exempt from the qualifying tournament as defending champion.

In the past, Uruguay and Argentina would have expected to meet little resistance from the other South American nations.

This time, they have found themselves slugging it out with Peru, Bolivia and Ecuador, and playing second fiddle to Colombia, the group leader, and Paraguay.

The relatively poor campaigns of the two great rivals added spice to Sunday's meeting — their first-ever in a World Cup qualifier — but despite the tension there was no trouble, and only three players were penalized.

Uruguay had the advantage throughout the game, but Ignacio Gonzalez's play suggested that Argentina may have solved its goalkeeping troubles.

Gonzalez was the fifth goalkeeper used in the last year by Daniel Pasarella, the Argentine coach. He gave a solid display. The highlight was a spectacular seventh minute save from Enzo Francescoli, Uruguay's veteran striker.

Argentina stays ahead of Uruguay on goal difference. Both have 10 points. Peru, Bolivia and Ecuador have nine points. Peru beat Chile, 2-1, in Lima. Bolivia beat Ecuador, 2-0, in La Paz.

Peru overcame Chile with first half goals by Flavio Maestri and Roberto Palacios. Ivan Zamorano grabbed a consolation for Chile, which has eight points, two minutes from the end of the game.

WORLD SOCCER

Bolivia has failed to make the most of playing at 3,600 meters above sea level, drawing their last three home games, but wrapped up Sunday's game in the first 12 minutes with goals by Jaime Moreno and Marco Etcheverry.

Bolivia won all its home games on the way to the 1994 World Cup finals.

Paraguay moved four points ahead of Argentina with a 2-0 victory in an away game with Venezuela, which has one point.

■ *Rio Championship in Chaos*

The Rio de Janeiro championship made a chaotic start Sunday when half of the games were canceled after three of the four major clubs involved decided to boycott the tournament, Reuters reported from Rio de Janeiro.

Botafogo, Fluminense and defending champions Flamengo all refused to play to protest the format of the 12-team tournament, which they claimed forced them to play too many games against minor opposition.

Only three of the six matches scheduled for the weekend took place.

Vasco da Gama, the only major club to play, beat Bangu, 3-0, before a meager 1,600 crowd.

Vasco was without star striker Edmundo, who refused to take part in preseason training because of a feud over his contract and was suspended by the club.

Instead, Edmundo took part in a beach soccer match on Copacabana beach.

The rebel clubs decided to abandon the competition at a meeting Friday.

"Anyone with any sense can see that there is no way we can take part in the competition that Vasco and the Rio federation want," said Alvaro Barcelos, the Fluminense president.

Brazil is unique among major soccer nations in devoting half of its season to regional competitions. Critics have called for the system to be scrapped and replaced by a single national competition.

The Rio tournament is the second-most important regional competition, behind the Sao Paulo championship, which is to start in early February. A Rio-Sao Paulo tournament is to start Saturday.

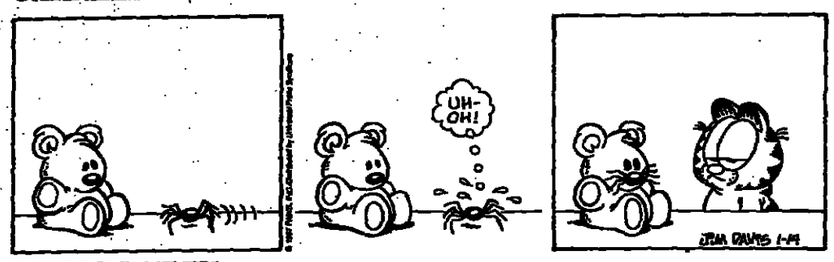
DENNIS THE MENACE

"IF THERE'S ENOUGH ICE, ANY SHOE IS A SKATE!"

PEANUTS

CALVIN AND HOBBES

GARFIELD



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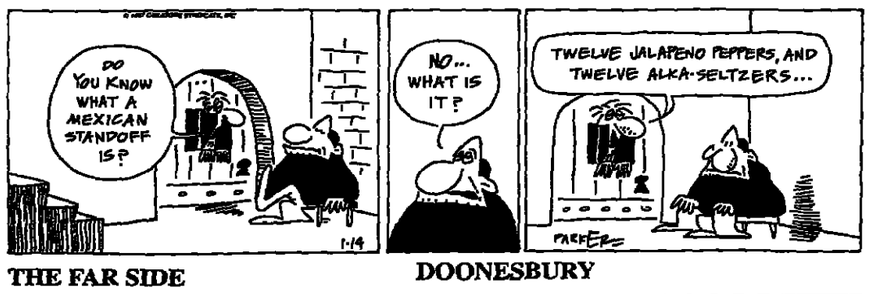
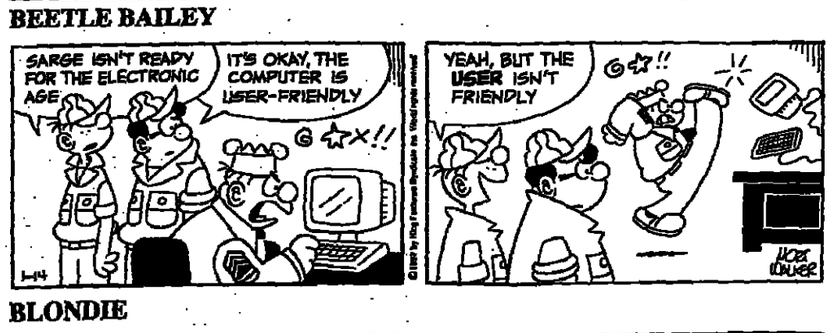
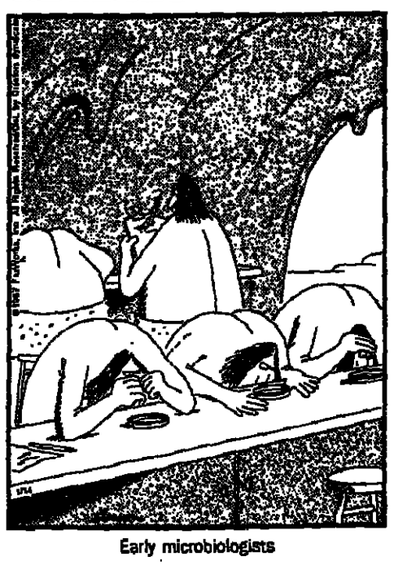


BEETLE BAILEY



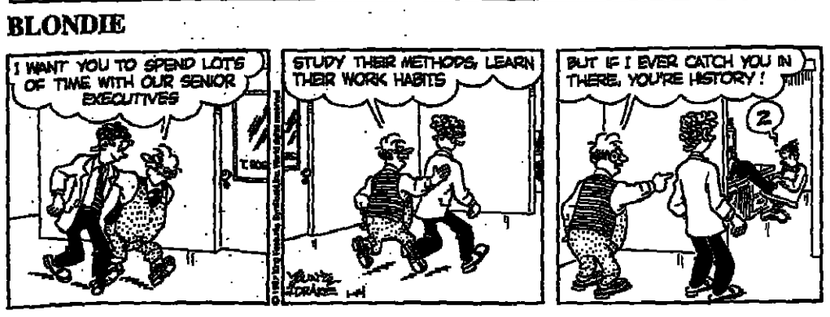
THE FAR SIDE



Early microbiologists

DOONESBURY

BLONDIE



JUMBLE.

Yesterday's Jumbles: ABLOW DUCKY FLORID PEWTER
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ART BUCHWALD

Feeding the Lobbyists

WASHINGTON — Inauguration time is the busiest period for Washingtonians. We are all cooking and baking and deep-frying chicken fingers for the thousands of people coming into town for the big occasion.

Paul Peck, the Democratic chief caterer, was stir-frying pigs' feet.

Buchwald

"Lobbyists have to be fed," Paul said as he poured peanut oil on the feet. "If they're not, they won't buy any tables for Al Gore's birthday party."

"I guess food and wine are what make this town go round," I said.

"They do during the week the president is sworn in. The lobbyists gave to us when we needed it. Now we're giving back to them — with cheese puffs and egg rolls. Fair is fair when you pay homage to a president."

"How do you decide which lobbyists get fed and which ones don't?"

"Political parties treat everyone like the homeless. If a lobbyist is hungry and he is on our side, he can have all the sweet-and-sour pork he can eat."

"I was under the impression that the lobbyists were the major entertainers during a presidential inauguration."

"They're in it, too. After all, if the big-shot telephone people show up and you're on their payroll, you have to throw a party. But a party is nothing unless you can show off lots of congressmen and senators. So the lobbyists throw in extra PAC money for the politicians to guarantee that the pols will turn up at their event."

"Yet what we're really talking about is food. Don't most people come to the inauguration because they can't get these kinds of things to eat at home?"

□

Paul laughed. "You can say that again. People are still talking about the celery stalks I served last year at the cocktail party for Dick Morris."

"Does the Democratic Party ever exchange menus with the lobbyists?"

"All the time. We had a problem at Clinton's first inauguration with deviled eggs, so we called up the nuclear waste lobby, and it offered to hard-boil 230 platters for us. This kind of cooperation makes American inaugurations the greatest in the world. Had Dole won, the nuclear waste folks would have done the same for the Republicans."

I told Paul, "If I was a lobbyist, I'd like the chicken livers on potato latkes."

"You're in luck. That's what I am making next. I've always said you can't have a decent inauguration without potato latkes."

"God bless America."

Archaeologists Say Euripides' Cup Found

The Associated Press

ATHENS — Archaeologists say they have found a clay mug of the ancient Greek playwright Euripides in a limestone cave where he used to write.

A photo released by the Greek Culture Ministry showed the fragmented cup engraved with the first six letters of Euripides' name. The mug was unearthed from a grotto on Salamis, an island west of Athens.

In Death, Selena Is a Legend and an Industry

By Larry Rohter
New York Times Service

POTEET, Texas — Long before the murder that belatedly brought her to the attention of the English-speaking world, Selena had earned the title Queen of Tejano Music and the affection of Mexican-Americans in small towns like this one, the self-styled strawberry capital of Texas.

So it was only fitting that when a Hollywood production company decided to transform the martyred singer's short life into a movie and to film some of its concert scenes at the county fairgrounds here, the crowd of extras that assembled was full of people who had seen the real Selena perform and adored her.

Deep into the night on a warm autumn Saturday, grandmothers with babies in tow, entire families and knots of teenagers stood transfixed as Jennifer Lopez, the actress playing their idol, lipsynched Selena's greatest hits. "For me, it has always been Selena and always will be," Roxane Avila, 16, a fan, said between takes. "I went to see her twice and always told my mom that I wanted to be like her. Now I can't bring myself to play her records because it's just too painful. So is this. But even so, I couldn't miss it."

Less than two years after being shot to death by a disgruntled employee of hers in a Corpus Christi motel room, Selena is well on her way to becoming as much an icon for Latin Americans and Spanish speakers in the United States as Elvis Presley is for rock 'n' roll fans or Marilyn Monroe for film buffs. "The torchbearer for a new generation of Latinos" is how the movie's Mexican-American director and screenwriter, Gregory Nava, describes Selena.

That passion has fed a flood of posthumous books, records and memorabilia, making Selena better known today than in her lifetime.

To Nava, whose previous movies include "El Norte" and "My Family: Mi Familia," there is an especially mythic quality to the story of a singer who rose from humble beginnings through hard work and talent, overcoming barriers of language and culture, only to die violently at the age of 23, just as her career was taking wing. "Look at Elvis, James Dean and Marilyn," he said. "They were all brought down by their self-destructive natures. But for Selena to have been brought down this way is more tragic than the others because she really was living the American Dream."

In Selena's case, everything started with the music and her capacity to produce on cue the sob in the voice that is common both to the blues and to Mexican music.

"That teardrop she had in her vocal cords gave her an ability to interpret and communicate in her songs as if she had lived far beyond her years," said Jose Behar, president of EMI Latin Records, who in 1989 signed the band then known as Selena y los Dinos to a recording contract and nurtured her career through the recording of "Dreaming of You," the posthumous release that sold 3 million copies in the United States.

Last year, a casting call in four cities to young Hispanic women to audition for the part of Selena as a child drew more than 20,000 applicants, all of them made up to look just like Selena, whose features "were definitely more indigenous than royal Spanish," as Edward James Olmos, who plays her father in the movie, pointed out.

In death, as in life, in other words, Selena Quintanilla Perez has come to represent a new standard of Latin beauty and confidence.

Jennifer Lopez, the actress who plays the adult Selena, is from the Castle Hill section of the Bronx, not South Texas, and is of Puerto Rican descent, not Mexican. "But Selena was dark, like me, and had a Latin body, like mine, and didn't try to hide that," Lopez said.

"She went up there on stage and said: This is who I am, and I like it. Why should I aspire to be blond and thin?" Yet there is more to Selena's continued appeal than just her appearance, as Lopez and others are quick to acknowledge.

Christy Haubegger, a Mexican-American who is publisher of Latina, a New York-based magazine for Hispanic women, said: "Selena is an icon to us because she is both culturally and physically like we are, someone born here in the United States and definitely an American, but also a Latina, proud of who she is and able to say she didn't have to lose her culture to be successful. She not only embodied ideals of Latina beauty but the struggle we live with every day, between two cultures, two languages and two sets of values."

Even before Selena was born, of course, Latinas like Rita Hayworth (born Margarita Carmen Cansino) and Raquel Welch (Raquel Tejada) had built large followings. But they gained their fame only by changing their names, trying to discard their identities as Hispanic women and projecting an exotic image that was sexy and submissive. That formula reinforced "a stereotype of us being the oppressed half of a patriarchy, which we certainly aren't," as Haubegger put it.

The emergence of Selena, who spoke Spanish with a Texas accent and made a point of favoring the English pronunciation of her name (suh-LEE-na) over its Spanish version (say-LAY-na), also played with the ambiguity Mexican-Americans feel toward the cultures on both sides of that hyphen.

"To this day, Mexican-Americans are not viewed as kindred souls" on either side of the border, Olmos said. "We're always right next door. You're not fully accepted by the country you live in, and in the country you're from, you're left out to hang."

For example, Nava said that when he had first pitched his Selena proposal to Hollywood executives, they thought she was Mexican, not American. "She could no more have come out of Mexico than Frank Sinatra out of Italy," he said.

The Associated Press
A fan holding a poster of Selena at a recent tribute to the singer.

ROYALTY

Is There a Pudgy Czar in Russia's Future?

By Lee Hockstader
Washington Post Service

MOSCOW — It's the fondest hope of Moscow's most wild-eyed street protesters and a cherished dream for a handful of nostalgia buffs who trace their ancestry to prerevolutionary Russian nobility.

But is it possible that Boris Yeltsin, too, wants to restore a role for the Romanov dynasty as Russia's imperial family?

Under a front-page headline — "Yeltsin Welcomes Back Heir to the Czar" — Britain's Daily Telegraph reported Dec. 31 that the Russian leader had signed a secret decree to recognize Grand Duke Georgi Romanov, teenage heir to the Romanov dynasty, as head of Russia's imperial family.

The Associated Press
Grand Duke Georgi Romanov with his grandmother.

Grand Duke Georgi, who has visited Russia a handful of times, is a 15-year-old who lives in Madrid, has been educated at English and French schools, speaks halting Russian and has a fondness for martial arts. He is the great-great-great-grandson of Alexander II, a 19th-century Russian czar.

The newspaper, citing an unnamed Kremlin source, said Yeltsin plans to welcome Georgi along with his mother and grandmother back to live in Russia early this year. The family — which has been living in exile since 1918, when the Bolsheviks executed the last czar and his immediate family — would be granted a "purely ceremonial" role, it said.

Improbable? Sure. Immediately denied by the Kremlin? Of course. But the report has nonetheless captured the attention of the Russian media and thrilled Russian monarchists. If the Romanovs are restored as Russia's imperial family, some say, Russia will finally have the unifying national idea it so obviously lacks now.

"There is a kind of ideological vacuum that is the result of the Communist regime," said Duke Vadim Lopukhin, a leader of Russia's Nobility League, a group that traces its ancestors to Russian nobility. "There is no national symbol; that's why the family's return could play a positive role in stabilization." He added, "They could become a symbol, an ideal to live by."

Yeltsin himself complained last year that Russia — whose national anthem has no lyrics, whose schoolchildren search vainly for heroes — is a country in search of a national idea. Newspapers have since been running contributions from readers volunteering their thoughts on what the new Russia should be about.

But it has been easier to identify what Russia does not believe in than what it does. Yeltsin himself is generally reviled. Mikhail Gorbachev, his Soviet predecessor, is regarded as a national joke. Lenin is out, and so is Stalin. Communism is a sour memory, but democracy in its twisted, uniquely Russian incarnation has inspired no passion in the Russian body politic.

So why not monarchy?

Well, plenty of reasons.

For one thing, there is no popular outcry in support of a Romanov return. When Georgi took a riverboat tour down the Volga in 1993 with his mother, Grand Duchess Maria Vladimirovna, and his grandmother, Leonida Georgievna, they were ignored virtually everywhere. What's more, Maria Vladimirovna committed the unpardonable gaffe of neglecting to cover her head when she visited a Russian Orthodox church near the city of Kostroma.

"Russia has always been united not on the basis of a national idea, but on an imperial idea, which presupposed that the state was superior to society," Igor Klyamkin, a sociologist, wrote in the newspaper Kommersant Daily last month. "But, the peculiarity of the present moment is that for the first time a relative majority does not want to return to taking orders from the state. The priority now is personal interests and the interests of the family."

Masha Lipman, deputy editor of Itogi, a weekly news magazine, scoffed at the idea of reinstating the Romanovs in any capacity. There is nothing interesting about the Romanovs, nothing heroic or extraordinary that would lend them prestige or save them from irrelevance, she said. Nor would it help that in Russia's present lean economic condition, all three members of the Romanov family are quite pudgy, she said.

"If you're creating a myth, which in itself is a failed attempt to form a state, there should be something catchy about it," she said. "The fat boy isn't catchy."

PEOPLE

FOR the 15th time, **Bill Cosby** won a People's Choice Award for favorite male in a television series. The show, "Cosby," also was honored as favorite new television comedy series. Cosby tied with **Michael J. Fox** of "Spin City," who also got the nod as favorite male in a new television series. Other repeat winners in the 23d annual event included **Oprah Winfrey, Tim Allen, Brooke Shields, Reba McEntire, Garth Brooks, Mel Gibson, Sandra Bullock** and the television shows, "ER" and "Seinfeld." The films "Independence Day" and "The Nutty Professor" also received awards.

□

The military techno-thriller author **Tom Clancy** attended his first space shuttle launch and wasn't all that impressed. "Visually, it's spectacular," Clancy said after Atlantis blasted off. "Everybody told me how noisy it was. Hell, anybody with kids deals with more noise."

□

Lauren Bacall, whose films range from "To Have and Have Not" in 1944 to "The Mirror Has Two Faces" last year, picked up an award for lifetime achievement. At the annual Palm Springs film festival, Bacall accepted her award from the actor **Gregory Peck**. Film clips showcased Bacall's career. "I had no idea I'd been in that many movies," she said. "I guess I'm older than I thought I was." Bacall is 72.

□

Christopher Reeve is coming around again. The paralyzed actor has kicked off fund-raising efforts for his research foundation with a concert in Princeton, New Jersey, starring **John Lithgow, Mandy Patinkin, Mary-Chapin Carpenter** and **Carly Simon**. The show was expected to raise $250,000 for the Christopher Reeve Foundation. The foundation will sponsor medical research on spinal cord injuries.

□

The **Duchess of York** is to score a dubious royal first by making a fruit juice commercial for American television, which could earn her up to $1.7 million, London press reports said. The former **Sarah Ferguson**, divorced wife of **Queen Elizabeth II's** second son, **Prince Andrew**, will speak directly to the camera in praise of a brand of cranberry juice. "Fergie," has already posed for a publicity photograph for the Japanese camera maker Olympus. She is trying to pay off debts of about $5 million.

□

Fact: **Barbra Streisand** will not be performing or introducing or anything at the presidential gala on Sunday night. And she may not show up for the inauguration the following day. Whispered Reason No. 1: The **Clintons** are irritated at Babs because when she attended her first Renaissance Weekend over New Year's, she wore her name tag only some of the time. "People were furious with her," said one attendee. "Everyone wears a name tag," in the spirit of democratization of deep thinkers. Well, the president doesn't, but **Hillary Clinton** did. According to witnesses who were there, Streisand bent over tiny **Ruth Westheimer**, took the sex counselor's cheeks in her hands, and said, "Dr. Ruth, I'm your biggest fan." To which Westheimer replied, "Who are you?" Whispered Reason No. 2: Streisand is irritated at the Clintons because they won't let her sleep in the White House in the same room as her boyfriend, the actor **James Brolin**. The Clintons do, in fact, insist that unmarried couples occupy separate bedrooms. The Official Reason: Streisand has been nominated for a Golden Globe Award and will be in Los Angeles on Sunday at that ceremony.

Vince Bucci/Agence France-Presse
UPON A STAR — Soul singer James Brown dancing on his new star on the Hollywood Walk of Fame.

□

To avoid offending any of his friends worldwide, the celebrated Russian cellist and conductor **Mstislav Rostropovich** plans to celebrate his 70th birthday, which falls in 1997, with a series of performances. About 300 musicians from 40 countries will pay homage to Rostropovich at the 22d Evian Musical Meetings from May 8 to 18, of which Rostropovich is festival chairman. On May 9 he will play in a concert of chamber music, and on May 14 to 16 he will conduct concerts with the Orchestra of Nations. A host of stars will participate in a concert for Rostropovich's actual birthday, on March 27 in Paris.

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